THE WALL STREET JOURNAL.

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Last week: DJIA 34576.59 ▼ 261.12 0.7% NASDAQ 13761.53 ▼ 1.9% STOXX 600 454.66 ▼ 0.8% 10-YR. TREASURY ▼ 21/32, yield 4.257% OIL $87.51 ▲ $1.96 EURO $1.0703 YEN 147.82

What's News

Business & Finance

◆ **Wall Street expects** corporate earnings to rebound after three quarters of year-over-year declines, a development that could put the stock market's faltering rally on a firmer footing. **A1**

◆ **The U.S. labor marke**t is cooling, with companies hiring more slowly and reducing job postings as higher interest rates weigh on economic demand. **A2**

◆ **Xi's consolidation** of power over China's economy is delaying the country's response to its worst slowdown in years as senior officials have been inhibited from rolling out major stimulus or making significant policy changes. **A1**

◆ **Instacart is targeting** a valuation of roughly $8.6 billion to $9.3 billion in its imminent IPO, a fraction of what the grocery-delivery company was previously worth. **B1**

◆ **Hostess Brands,** owner of Twinkies, is closing in on a sale to J.M. Smucker, a move that would combine two big names in snacks. **B1**

◆ **Facebook and Instagram** parent Meta Platforms is working on a new artificial-intelligence system intended to be as powerful as the most advanced model offered by OpenAI, according to people familiar with the matter. **B1**

◆ **Biographies of** tech moguls Elon Musk and Sam Bankman-Fried from two big-name writers are among the most-anticipated titles this fall, a rare instance of business books taking center stage. **B4**

World-Wide

◆ **Rescuers spent Sunday** struggling to reach the remote mountain villages hit hardest by Morocco's strongest earthquake in over a century as the number of dead surpassed 2,000. **A1, A8**

◆ **Biden arrived in Vietnam** to elevate the U.S. relationship with Hanoi to what Vietnam calls a comprehensive strategic partnership as Washington seeks to counterbalance China in the region. **A6**

◆ **Russia is staging** elections in occupied Ukrainian territory that Kyiv and its Western allies have condemned as a sham, with candidates that include a Russian official under U.S. sanctions. **A18**

◆ **Kyiv's military leaders** say they could have Ukrainian pilots flying F-16s in combat against occupying Russian forces as early as this winter, a more optimistic timeline than previous estimates. **A18**

◆ **The U.S. and** Saudi Arabia are in talks to secure metals in Africa needed for both countries' energy transitions, people with knowledge of the talks said. **A18**

◆ **A rise in Covid cases** and the approach of fall, when other respiratory illnesses start to spread, has revived discussion of how best to protect students and workers. **A3**

◆ **California would force** large corporations that do business in the state to disclose all greenhouse-gas emissions associated with their operations, under a bill being considered by the legislature. **A3**

JOURNAL REPORT

Workplace Technology: M.B.A. Students vs. ChatGPT: Who Wins?

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YOAN VALAT/EPA/SHUTTERSTOCK

Rescue workers removed the body of an earthquake victim on Sunday in Ouirgane, south of Marrakesh, Morocco.

Moroccans Race to Aid Victims Of Quake as Deaths Top 2,000

By Chao Deng, Summer Said, Stephen Kalin and Benoit Faucon

MOULAY BRAHIM, Morocco—As white sheets of cloth were laid over coffins bearing her mother and brother on Sunday, Amal Baaziz fell to the ground at a hillside cemetery in this mountain village. She was traveling when an earthquake flattened her home, killing her last living family members.

"Stay with me," Baaziz cried as women gathered around to support her. "Stay with me."

As rescuers spent Sunday struggling to reach the remote mountain villages hit hardest by Morocco's strongest earthquake in over a century, the toll of the disaster came into sharper focus. The number of dead surpassed 2,000, thousands more slept outside to avoid their damaged homes and the healthcare system buckled as it treated more than 2,400 injured people. International aid began to trickle in, but humanitarian groups complained of delays.

The Friday night quake largely spared the city of Marrakesh and its medieval quarter from the worst destruction, though there were some building collapses and a historic mosque in the central square suffered damage.

But the earthquake carved a swath of destruction across villages in the Atlas Mountains, home to ethnic Berbers whose main industries are farming and hosting hikers who come from around the world to see the remote region's beauty.

Homes here are often built with clay or mud brick, making them especially vulnerable

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◆ **Tourism loss deals economy new blow.......... A8**

Corporate Earnings Estimates Edge Up

Increases in profit would help bolster this year's stalled stock market rally

By Karen Langley

Wall Street expects corporate earnings to rebound after three quarters of year-over-year declines, a development that could put the stock market's faltering rally on firmer footing.

When the next reporting season kicks off in earnest in October, analysts estimate that companies in the S&P 500 will show profits inched up 0.5%, helping deliver a 1.2% increase for all of 2023, according to FactSet.

That is in part because analysts lifted their estimates for the current quarter during its first two months, the first time that has happened since the third quarter of 2021, according to John Butters, senior earnings analyst at FactSet.

Climbing profits would be a welcome development after a period in which the stock market's gains far outpaced anticipated profit growth. The S&P 500 has risen 16% this year, even after falling in four of the past six weeks.

"The real crucible test for the market is that we deliver positive earnings growth," said Nancy Curtin, chief investment officer at the wealth and asset manager AlTi Tiedemann Global. "Not just less negative but positive."

Yet some analysts said they think the market's advance has already accounted for much of the improvement in

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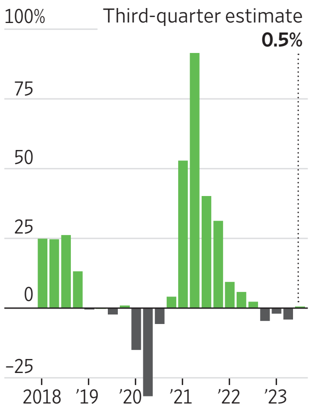
S&P 500 quarterly earnings, change from a year earlier



Source: FactSet

◆ **Outlook: Shift seen in Fed officials' rate stance........ A2**
◆ **Cooling labor demand helps chance of soft landing.... A2**

Xi's Grip Chokes Off Attempts To Counter Slowdown

By Lingling Wei And Stella Yifan Xie

Xi Jinping has placed the Communist Party—and himself—in greater command of China's economy over the past decade. Now his centralization of power is delaying the country's response to its worst economic slowdown in years.

Officials in charge of day-to-day economic affairs have been holding increasingly urgent meetings in recent months to discuss ways to address the deteriorating outlook, people familiar with the matter said.

Yet despite advice from leading Chinese economists to take bolder action, the people said, senior Chinese officials have been unable to roll out major stimulus or make significant policy changes because they don't have sufficient authority to do so, with economic decision-making increasingly controlled by Xi himself.

The top leader has shown few signs of worry over the outlook despite the gathering gloom and hasn't seemed interested in backing more stimulus, according to the people and publicized remarks by Xi.

In recent weeks, as one of China's biggest property developers has teetered on the brink of default, putting billions of dollars of loans and other debts at risk, the government has expanded measures to revive home purchases. The steps follow other piecemeal measures over the past few months, such as modest interest-rate cuts.

Economists said the steps will likely help somewhat, and more stimulus could follow. But they still fall short of what many experts said is

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◆ **U.S., Vietnam strengthen diplomatic ties................... A6**

Putin Wants a Hit Man Back. U.S. Wants a Swap.

A jailed covert operative in Germany is central to efforts to free Evan Gershkovich and others held by Russia

By Bojan Pancevski and Alan Cullison

BERLIN—Russian assassin Vadim Krasikov, riding a bicycle, followed his target to a crowded children's playground at lunchtime, a popular summer spot in a central-city park filled with families and workers.

As the man entered Tiergarten park, Krasikov pedaled close behind. Not far from the swings, he pulled a pistol from a rucksack and shot him in the back, leaving his victim, a former Chechen insurgent leader, slumped on the ground. Krasikov got off his bike and calmly fired twice into the man's head, watched by children and parents, witnesses said during a court trial that ended in his conviction.

The 2019 murder of Zemlikhan Khangoshvili, a man who Moscow alleged led a 2004 attack in Russia, was determined by a German court to be an intentionally brutal message by Russia to its enemies abroad: *Even if you seek refuge in the West, we will hunt you down.*

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◆ **Russia stages a disputed election........... A18**

Djokovic, Gauff Win at Open

MIKE STOBE/GETTY IMAGES; ROBERT DEUTSCH/USA TODAY SPORTS

Novak Djokovic captured his 24th career major title at the U.S. Open, and Coco Gauff took her first Grand Slam event. A14

A Groan-Up Daughter Makes a Lot of Cents Telling Dad Jokes

* * *

19-year-old has legions of fans and a steady income from videos of her cornball humor

By Simon J. Levien

Neve Pratt thought of a popcorn pun but said she'd rather keep it to herself.

"It's a bit too...*corny*."

The king of Dad jokes is a 19-year-old sophomore at Utah State University. From her social-media stage, Pratt has aired hundreds of original and recycled jokes with a cringey delivery that has drawn more than 650,000 TikTok followers and millions of eye rolls. Punchlines are followed by awkward, fumbling silences

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Gruff Private Banker Draws A-List Names To Her Client List

By Rachel Louise Ensign

When Martha Stewart signed a deal for her nascent housewares business with Kmart in 1987, she heard from a banker named Jane Heller. "Everyone who comes with me gets to be rich," Heller said.

"Well, I want to be rich," Stewart told her. She's been a client ever since.

Heller is the top private banker at Bank of America. Her clients are titans of industry like Carl Icahn and A-list celebrities like Stewart. She has spent four decades lending them huge sums of money for homes, yachts and business ventures—and making sure they pay her back.

Lending to the well-heeled was relatively niche when she started out as a young mom mining BusinessWeek for prospects. Now all the major banks are eager to lend to the wealthy, a line of business where the fees are steady and the loans rarely go bad. It is all part of a bigger shift in banking toward units that generate cash and balance the boom-and-bust cycles of investment banking and trading.

The 77-year-old Heller spends her days advising clients and working to get their often-complex loans quickly approved. Her client list includes Ron Perelman and real-estate investor Aby Rosen, people familiar with the matter said. The Steinbrenner family that owns the New York Yankees are also clients, and Heller sits in the front row at games. Michael Jackson borrowed millions of dollars from her, secured in part by his ownership stake in a song catalog that included Beatles hits "Yesterday" and "Hey Jude," according to news reports at the time.

In recent months, Heller has been deeply involved in renegotiating Icahn's loans after the activist investor came under attack from a short seller. "She gives you the feeling that she does have your interests at least right up with her own," Icahn said.

Heller declined to discuss

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U.S. NEWS

THE OUTLOOK | By Nick Timiraos

Shift Seen in Fed Officials' Rate Stance

For more than a year, Federal Reserve policy makers were unanimous that they would rather raise interest rates too much than too little—that is how serious they considered the threat of persistently high inflation.

That is changing.

Some officials still prefer to err on the side of raising rates too much, reasoning that they can cut them later. Now, though, other officials see risks as more balanced. They worry about raising rates and causing a downturn that turns out to be unnecessary or triggering a new bout of financial turmoil.

The shift toward a more balanced bias on rates is driven by data showing easing inflation and a less overheated labor market. In addition, the unusually rapid rate increases implemented over the past 1½ years are expected to continue crimping demand in coming months.

Fed officials raised rates at 11 of their past 12 meetings, most recently in July, to a range between 5.25% and 5.5%, a 22-year high. They appear to be in broad agreement to hold interest rates there at their Sept. 19-20 meeting, giving them more time to see how the economy is responding to increases.

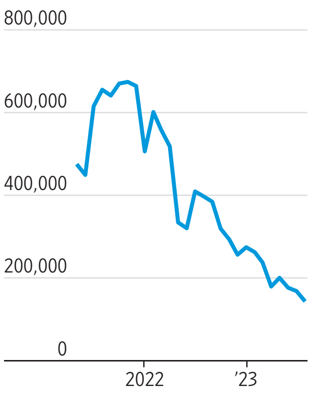
The bigger debate is what would prompt them to raise rates again in November or December. In June, most officials projected they would need to raise rates by another quarter point this year.

Projections to be released at the end of the September meeting will likely show that an additional increase is still on the table. But whether they deliver such an increase is an open question.

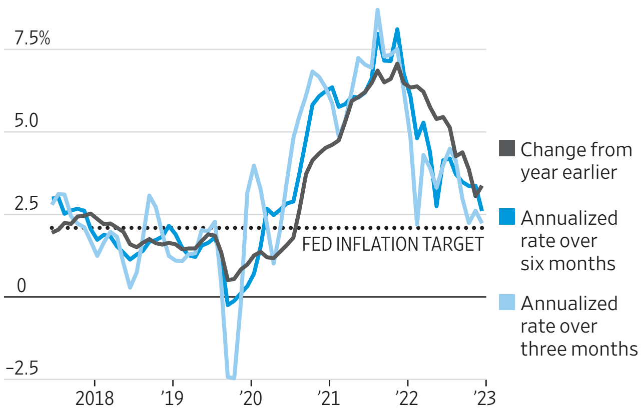
For the past year, officials have placed the burden on evidence of a slowing economy to justify pausing rate increases. As inflation cools, the burden has shifted toward evidence of an accelerating economy to justify higher rates.

This is apparent from how Fed Chair Jerome Powell recently described the risk that firmer-than-expected economic activity would slow recent progress on inflation. Last month, he twice used the word "could" instead of the more muscular "would" to describe whether the Fed would tighten again. Evidence of stronger growth "could put further progress at risk and could warrant further tightening of monetary policy," he said in Jackson Hole, Wyo.

Private-sector monthly payroll growth, three-month average*



Personal-consumption-expenditures price index



*Seasonally adjusted
Sources: Labor Department (payrolls); Commerce Department (personal consumption expenditures)

One camp of officials is still anxious about inflation and wants an insurance policy against it by raising rates again this fall. These policy makers worry about ending their tightening campaign only to discover in coming months that it didn't go far enough. It could be particularly disruptive if financial markets are led to believe inflation and interest rates had flattened out only to learn the opposite.

Overtightening is a risk, but "we've been underestimating inflation," Cleveland Fed President Loretta Mester said in an interview last month. "Allowing inflation to be up for longer does carry a cost for the economy."

If it turns out such an increase had more of a negative impact than expected, "I'd be more willing to [cut] the rate a little bit faster" next year, she said.

"I don't think one more hike would necessarily throw the economy into recession if we did feel that we needed to do one," Fed governor Christopher Waller said last week. Skipping a September rate rise "does not imply stopping," Dallas Fed President Lorie Logan said.

Another camp is more supportive of pausing increases. They want to shift the focus from how much higher rates have to go to how long they can stay at current levels. While the economy grew a robust 2.1% annualized in the second quarter and might grow above 3% in this quarter, these officials are skeptical this will be sustained, particularly given slower growth in China and Europe and the lagged impact of past rate rises.

"The risk of inflation staying higher for longer must now be weighed against the risk that an overly restrictive stance of monetary policy will lead to a greater slowdown than is needed to restore price stability," said Boston Fed President Susan Collins in a speech last week. "This phase of our policy cycle requires patience."

Yields on the 10-year U.S. Treasury note have climbed to around 4.25% from 3.9% since the Fed's meeting in July, raising an array of borrowing costs, including mortgage rates, which recently hit a 22-year high. That, in effect, does some of the work that a Fed rate increase would be intended to achieve.

These officials also worry that if one more increase proves unnecessary, reversing it would be more confusing and costly than their more hawkish colleagues appreciate.

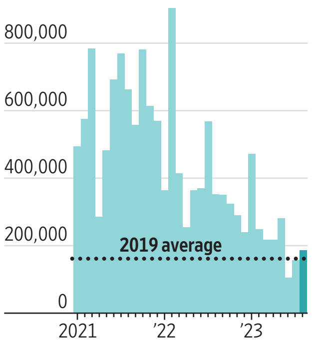
Atlanta Fed President Raphael Bostic last month said he would prefer to hold rates at current levels for the next year. As inflation comes down, inflation-adjusted, or "real," rates will rise.

"If we are appropriately cautious, we have the opportunity to minimize the damage that we see on the employment side," he said.

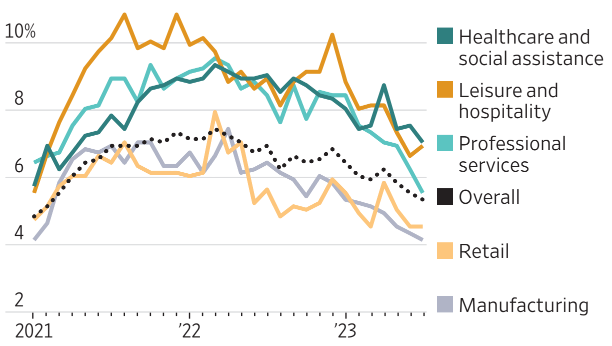
Measures of underlying inflation that strip out the most volatile price changes have shown a sustained decline this summer. One from the New York Fed dropped below 2.8% in July from a high of 5.5% in June 2022. Other data show the frequency and magnitude of price increases, which accelerated in 2021, have also retreated.

To be sure, the difference between one more rate increase and none might not be that great in the scheme of things. "Is one going to be right and the other demonstrably wrong? I'm very doubtful," said Nathan Sheets, a former senior Fed economist who is now chief economist at Citigroup. "What's left now is fine-tuning."

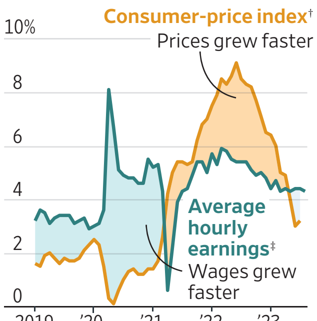
Nonfarm payrolls, change from a month earlier



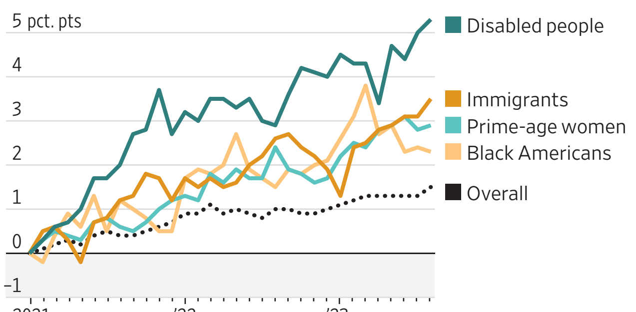
Job openings rate* by industry



Wages and prices, change from a year earlier



Change in the labor force participation among select groups, from January 2021 rates



*Job-openings rate is unfilled jobs as a percentage of total employment and openings.
†Through July ‡Wages data are average earnings for all private workers.
Note: All data are seasonally adjusted except the CPI and the participation rates for disabled people and immigrants. Source: Labor Department

Cooling Demand for Workers Boosts Chance of a Soft Landing

By Sarah Chaney Cambon And Rosie Ettenheim

The pandemic-driven hiring frenzy is ending.

For months after the end of Covid-19 restrictions, employers faced widespread labor shortages as the economy quickly rebounded. Businesses tried to lure workers with bigger wages and signing bonuses. Help-wanted signs lined main streets.

Now, companies are hiring more slowly and reducing job postings as higher interest rates weigh on economic demand. More workers, including women, immigrants and Americans with disabilities, are flowing into the labor force, helping businesses fill open roles.

Some economists think the labor-market cool-down points to a so-called soft landing, in which inflation falls without the economy entering a recession. Rising labor-force participation should help cool wage growth—and in turn take pressure off the Federal Reserve to raise interest rates further to reduce inflation by slowing the economy.

The job market—and overall economy—could still weaken significantly before inflation reaches the Fed's target of 2%. But as hiring cools and inflation eases, chances are rising that the economy might dodge such a severe downturn.

Overall job openings, a reflection of labor demand, peaked at 12 million in March 2022, about double the number of unemployed people looking for work the same month. That gap has narrowed. Openings in July were much lower at 8.8 million versus 5.8 million unemployed—showing easing but still elevated demand for labor.

Professional and business-services providers—which include many white-collar jobs in accounting, law and consulting—have sharply reduced job postings. Manufacturers and retailers have also cut back on openings, after seeking workers earlier in the pandemic to meet surging consumer demand for goods.

Restaurants, hospitals and nursing homes, which struggled to staff up amid pandemic reopenings, have also reported fewer job openings over the past year-and-a-half. More workers started looking for jobs, helping these companies backfill positions they cut at the pandemic's onset.

In another sign of the cooling labor market, job growth in August logged in just above its 2019 prepandemic average, with revisions showing payroll gains below the average the prior two months.

More people are looking for work as pandemic-related disruptions fade and employers dangle bigger paychecks. Americans between 25 and 54 years of age are employed or looking for jobs at historically high rates, helping counter the exodus of older baby boomers from the workforce.

Women are driving the charge. The lures of higher pay, adoption of remote work and high inflation are spurring more women to seek jobs after daycare and school disruptions during the pandemic drove many to the sidelines.

More foreign-born workers are jumping into hard-to-fill jobs at restaurants, amusement parks and nursing homes, as pandemic-era immigration restrictions ease.

Labor-force participation among individuals with disabilities also is surging as the tight labor market and flexible work options provide new job opportunities.

Wage growth is cooling as employers face less competition for workers. If more Americans hop into the labor force in the coming months, pay gains could slow further.

Still, earnings growth is running above its prepandemic pace and recently outstripped inflation. That puts more money in workers' pockets, helping fuel spending. But it also threatens to keep inflation elevated.

—Danny Dougherty contributed to this article.

Trade Slump Reshuffles Cards in Favor of the U.S.

By Tom Fairless

FRANKFURT—The U.S. economy is chugging along while the rest of the world falls behind. Driving the division among the world's most powerful economies: a slowdown in trade that is hurting some much more than others.

The waning of global trade flows is consolidating a growth gap among members of the Group of 20 largest world economies, whose leaders are meeting this weekend in India, resetting the global balance of economic power.

At the losing end are "extroverted" economies that have traditionally recorded trade surpluses and are now seeing their growth lag behind those of the U.S. and India, for instance, vast markets that have historically relied more on domestic demand for growth relative to their peers.

Global goods trade declined in the first three months of the year from the previous quarter, according to the World Trade Organization, extending a downturn that started last year and that economists expect to continue this year.

The U.S., the world's largest economy, is expanding at an annualized rate of nearly 6%, according to an early indicator produced by the Federal Reserve Bank of Atlanta. India's economy grew 7.8% in the three months through June, the fastest pace of growth in a year. By contrast, growth in the more trade-dependent eurozone was barely positive in the most recent quarter, and the bloc's economy is still languishing below its prepandemic growth path.

The trade slump reflects temporary factors including rising interest rates and living costs, and a snapback in business inventories as global goods shortages ease. But it also results from longer-term changes such as a slowdown in China's growth rate, more protectionist industrial policies in the West, and the increasing recourse to economic measures, from technology embargoes to outbound investment screening, as tools of geopolitical competition.

"Global trade will be less global" in the future, with exchanges occurring more within regional blocs, said Holger Schmieding, chief economist at Berenberg Bank. It will also shift away from goods and toward services, he added, providing a boost to economies like the U.S. and India that specialize in IT and other services at the expense of manufacturing powerhouses like Germany and China.

Flagging global commerce is hitting industry everywhere, from smartphone and machinery makers to shipping companies, entrenching a manufacturing recession that has set in across swaths of the global economy. It contrasts sharply with decades of expanding world trade, including a recent and steep expansion after pandemic bottlenecks eased, that had favored manufacturing-heavy economies.

Besides political tensions, trade is being hit by major shifts in energy supplies and the global manufacturing sector driven by external events such as the Ukraine war and man-made climate change, said Dirk Schumacher, an economist at Natixis in Frankfurt. Industries like auto production are being transformed.

That is particularly painful for countries where industry forms an outsize part of the economy. Manufacturing accounts for nearly a third of economic output in China compared with 18% for Germany and 11% for the U.S., according to the World Bank.

Global manufacturing output fell for a third successive month in August, according to surveys of purchasing managers compiled by S&P Global. Global industrial recessions are rare, with only one other episode outside the pandemic years since the eurozone debt crisis of 2012, according to S&P.

Rising financing costs are among the factors weakening trade. As major central banks ramped up interest rates at a historic pace over the past 18 months, that sharply reduced the amount of cash held by businesses.

Consumer spending and investment are also under pressure as banks tighten access to credit. The steep rise in dollar interest rates and the associated strong dollar may also choke off vital trade financing, according to Oxford Economics.

Merchandise exports, percentage of GDP

2023 GDP growth for top 10 economies, projected

Sources: World Bank (merchandise exports), World Trade Organization (GDP growth)

CORRECTIONS & AMPLIFICATIONS

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Convict On Run Slips Past Police Dragnet

By Ginger Adams Otis

Convicted murderer Danelo Cavalcante, who escaped from a Pennsylvania county prison almost two weeks ago, evaded roughly 400 law-enforcement officers to slip through a police perimeter and steal a vehicle, officials said on Sunday.

Cavalcante has changed his appearance and is believed to have stolen a white van after getting past police. That van was found abandoned in a field, behind a barn, around 10:40 a.m. Sunday, roughly 30 miles north of where officers had set up their perimeter.

The search is now focused on the East Nantmeal Township area where the van was found, said Lt. Col. George Bivens of the Pennsylvania State Police. He urged residents to secure homes, outbuildings and vehicles. "He will take advantage of any opportunity to obtain items he needs," Bivens said on Sunday.

Pennsylvania State Police were unaware Cavalcante had slipped past them until around 12:30 a.m. Sunday, Bivens said. They believed they had the fugitive contained within a roughly 10-square-mile area around Longwood Gardens, a botanical garden in the Philadelphia suburb of Kennett Square, Pa. The perimeter area contained some challenging terrain, Bivens said, including underground tunnels and large drainage systems, along with construction sites.

A few minutes before 10 p.m. Saturday, the fugitive popped up on a surveillance camera at the home of a former colleague in the East Pikeland Township area, Bivens said. The footage showed Cavalcante had changed his appearance by shaving his beard. He was wearing a green hooded sweatshirt.

Cavalcante, 34, escaped from Chester County Prison Aug. 31 by stretching his body between two walls to climb to the prison roof, and then running across it to scale a fence and disappear into the surrounding area. He was convicted in August of murdering his former girlfriend in 2021 and sentenced to life in prison.

PENNSYLVANIA STATE POLICE/ASSOCIATED PRESS

Fugitive Danelo Cavalcante is seen on a surveillance camera.

FROM LEFT: MALCOLM DENEMARK/FLORIDA TODAY/ASSOCIATED PRESS; PAUL HENNESSY/SOPA IMAGES/ZUMA PRESS

A Yoga Class At Launchtime

BEACHFRONT VIEW: Stretching mostly trumped spectating as a ULA Atlas V rocket was fired on Sunday from the Cape Canaveral Space Force Station in Florida.

Google Plots Defense in Key U.S. Trial

By Miles Kruppa And Dave Michaels

Kent Walker successfully took on **Microsoft** in the defining tech competition battle of the 1990s. Now he is defending Google against a new generation of antitrust enforcers, arguing that the online-search giant doesn't pose the same threat.

Walker's ability to explain why this time is different is the key to the biggest antitrust case the government has brought against a technology company in 25 years, one that has the potential to reshape how people access information on the internet.

In the late 1990s, the internet was nascent and the government intervened to prevent Microsoft from using one market it dominated—personal computer software—to force people to use its browser. Microsoft eventually agreed to change some of its business practices.

Enforcers will now try to show that Google effectively forces consumers to use its search engine to navigate the internet across multiple browsers and mobile phone apps. Google search forms the backbone of an advertising business that brought in most of parent company **Alphabet**'s $283 billion in revenue last year.

The Justice Department's case is key for U.S. efforts to rein in the digital giants of the American economy.

The nonjury trial, scheduled to start Tuesday and go through mid-November, will be decided by U.S. District Judge Amit Mehta, who could order a breakup or changes to the way Google promotes its search engine.

Walker, Google's chief legal officer, and Susan Creighton, an antitrust litigator at the company's outside law firm Wilson Sonsini Goodrich & Rosati, were central to the case against Microsoft.

In the mid-1990s, Creighton wrote a policy brief for the browser maker Netscape that later was credited with sparking the Justice Department's investigation into Microsoft. Walker, then an in-house lawyer for Netscape, helped translate that narrative to the courtroom.

In defending Google, the lawyers point to what they say is the central principle animating both U.S. antitrust law and their defense of the search giant: consumer choice. Google provides it, they say, and Microsoft didn't.

"The cut-through line is that we continue, at Netscape and Google, to be on the side of trying to make sure people have the products that they want to use," Walker said.

The Justice Department sued Microsoft in 1998, alleging it illegally exploited the monopoly enjoyed by its Windows operating system.

The government now says Google committed the same offense by using restrictive agreements to thwart innovation and make Americans dependent on a single search engine.

Google has said people use its search engine because it is superior, and there is nothing anticompetitive about the browser default agreements at the heart of the case.

The Justice Department's case hinges on contracts Google has entered into with companies such as Apple and Samsung that automatically direct users to Google's search engine across a range of surfaces, such as the URL bar in Apple's Safari browser.

"Back then, Google claimed Microsoft's practices were anticompetitive, and yet, now, Google deploys the same playbook to sustain its own monopolies," government lawyers said in their complaint.

The trial's outcome will help show whether U.S. antitrust law can be molded to rein in modern tech giants, or whether a new regulatory scheme is needed, said William E. Kovacic, a former head of the Federal Trade Commission, which shares antitrust authority with the Justice Department.

The Justice Department and FTC's leaders "know you need to win a minimum, critical mass of cases to be effective," Kovacic said. The FTC and Chair Lina Khan have recently suffered a string of losses attempting to block major tech acquisitions.

Creighton and Walker will be defending the business agreements they helped shape for the search giant, which were informed in part by their experience with Microsoft.

They, along with a handful of other veterans from the Microsoft battle, are now using the precedent they helped set in that case to try to unravel Justice's arguments. Google has hired John Schmidtlein, a Williams & Connolly partner who represented a group of states during the Microsoft proceedings, to make its case in court.

Walker, who speaks in the rapid, unrelenting stream of a seasoned debater, said the Justice Department's arguments against Google rest on outdated assumptions from the 1990s, when it was difficult to switch between rival internet services. Google's contracts with Apple and others are open to competing bidders, and it is easy to switch default search engines, he said.

Covid-19 Cases Rise, Minus Return of Mask Rules

Covid-19 is back on the minds of America's CEOs and school principals.

*By **Ray A. Smith, Sara Randazzo** and **Brianna Abbott***

A rise in Covid cases and the approach of fall, when other respiratory illnesses start to spread, has revived discussion of how best to protect students and workers.

Few companies or schools are ready to reinstate anything approaching measures such as stringent masking rules that were common during the first years of the pandemic. But the rise in Covid-19 is a reminder that the virus retains power to disrupt learning and work.

"We've taken a pretty clear line that just says, please, for the love of God, if you're not feeling well, don't come in," said Aaron Levie, chief executive officer of the technology company Box.

Levie said some Box workers have voluntarily worn masks recently or taken time off to care for sick relatives. The company has told employees, who are required to come in on Tuesdays and Thursdays if they live near its offices, that they can stay home if they are immunocompromised or don't feel comfortable around others indoors.

"That's just gotta be the approach," Levie said. "We have to find a way to kind of move forward."

Diversified Automation has noted more Covid-19 cases among employees and their families at its offices in Las Vegas, Dallas and Louisville, Ky., as well as among workers on industrial construction sites. The company is managing them locally without introducing mandates, said Erika Tedesco, vice president of human resources. Office workers don't have to wear masks and can work from home for now if it makes them more comfortable.

"Seems like the cases are milder, but we are honoring the needs of our employees," she said.

Lionsgate required employees to wear masks on two

SARAH BLESENER FOR THE WALL STREET JOURNAL

A woman was masked on the New York City subway on Friday.

floors of its Santa Monica, Calif., offices for about a week in August following a rise in Covid cases in Los Angeles. The movie- and TV-production company said it was following orders from the county's public-health department.

A few schools across the country have restored temporary masking mandates or suspended classes in recent weeks because of Covid-19. Most school mask mandates faded before the start of the 2022-2023 school year, and districts said they aren't considering widespread reinstatements. The mandates were divisive. Opponents said they hindered learning while supporters said they prevented the spread of illness.

In the 21,400-student Bibb County School District in Georgia, a few schools have had a handful of students test positive for Covid-19. Parents at the schools were notified, but mask or quarantine requirements weren't reinstated.

"We keep our eye on it," said superintendent Dan Sims.

School leaders want to boost attendance rates this year and are hesitant to implement any Covid-19 mitigation measures that would keep students home. The Los Angeles Unified School District, which had among the strictest Covid protocols and testing programs in the country, is urging families to send students to school even if they have mild cold symptoms.

The Centers for Disease Control and Prevention updated its mask recommendations when the U.S. ended the pandemic's public-health emergency status in May. The agency's guidance for people who aren't sick or exposed is now based on local hospitalization levels rather than its older metric relying on Covid-19 cases, hospitalizations and inpatient bed use.

In counties with low Covid-19 hospital admission rates—more than 90% of them right now—the agency says people who aren't sick or exposed can wear a mask if they want.

California Weighs Mandate on Business-Emissions Disclosure

By Christine Mai-Duc

California would force large corporations that do business in the state to disclose all greenhouse-gas emissions associated with their operations, under a bill being considered by the legislature in its last, frenzied week of work in this year's session.

The proposal, which would apply to both public and private companies with $1 billion or more in annual revenue, is one of hundreds the Democratic-controlled legislature must decide on before Friday.

As the most populous state in the U.S. and one that has long leaned left, California often sets the agenda for other blue states, with progressive policies that pass the legislature in its last working days of the year.

Beyond the emissions-disclosure bill, part of a long-running push in the state to combat climate change, the legislature also is considering bills that would end a ban on official travel to states with conservative social policies and make striking workers eligible for unemployment benefits.

The legislature on Thursday passed the nation's first statewide excise tax on firearms and ammunition and a bill decriminalizing small amounts of hallucinogenic mushrooms for personal use.

But in the final days of vote-wrangling in Sacramento, the emissions measure is attracting some of the strongest opposition, primarily from business groups.

If it clears the legislature this week and receives Democratic Gov. Gavin Newsom's signature, California would be the first state in the nation to mandate the calculation and disclosure of a company's direct and indirect emissions that cause climate change.

At the heart of the dispute is whether to include in such calculations the indirect emissions known as "Scope 3," caused in a company's supply chain or by distributors or customers. According to an analysis by research firm Morningstar earlier this year, Scope 3 accounts for as much as 90% of climate emissions in certain sectors.

Business groups argue such calculations would be nearly impossible to make accurately and would place undue burden on companies and their suppliers.

"There's no way for a frozen pizza company to be able to calculate the emissions of the tomato farmer who plants the seed, grows the tomato, that gets processed into sauce that gets put on their pizza," said Ben Golombek, chief policy officer for the California Chamber of Commerce. "It's about trying to shame companies over inaccurate data as opposed to generating good public policy."

Several of California's largest technology companies, including Apple and Salesforce, have said such calculations are possible and are supporting the proposal.

Bill author Scott Wiener, a Democratic state senator from San Francisco, said the legislation allows businesses to use estimates and modeling for Scope 3 calculations, and that greater transparency is key to getting them to shrink their carbon footprints.

"There are corporations that are already making these disclosures and trying to be transparent, but then there are others who are marketing themselves as green when they're not," Wiener said. "For investors, it'll be useful information."

Wiener estimates some 5,300 businesses could be subject to the bill, including more than 3,900 privately held companies.

Some current and past staff of the California Air Resources Board, which would be tasked with administering the law, have raised concerns that implementation could be costly and divert resources from enforcing other climate laws.

The bill passed the state Senate in May and is now awaiting consideration in the Assembly, where its prospects are uncertain. Newsom hasn't taken a public position on the measure. A law passed in 2006 already requires some California companies and facilities, such as fuel suppliers, to disclose their emissions annually.

—Jean Eaglesham contributed to this article.

House Faction Gears Up For Budget Showdown

By Siobhan Hughes

WASHINGTON—House dissidents say they're serious this time.

After putting Kevin McCarthy through 15 ballots to win the House speakership, a group of hard-line Republicans has wrestled with how aggressively to respond to what they call his failure to keep the promises he made.

The dissidents shut down the floor in June to protest a debt-ceiling deal with President Biden. In July, the faction blocked a floor vote on one of 12 annual spending bills, complaining that GOP leaders had relied on gimmicks to reach McCarthy's commitment to cut spending to fiscal 2022 levels.

Now, with government funding expiring on Oct. 1, hard-line Republicans returning to work this week are signaling they are ready to use tougher tactics to extract concessions. The expected face-off could lead to a government shutdown this fall, or even potentially trigger a vote on keeping McCarthy as speaker.

"Everything's on the table...to hold the speaker accountable for what he committed to do back in January," said Rep. Bob Good (R., Va.), one of 20 House Republicans to cast votes against McCarthy during his speakership fight.

"The power of the purse in the House of Representatives is the only power we have," said Rep. Keith Self (R., Texas), another of the 20. "So I think momentum is building—courage is contagious."

Representatives for McCarthy didn't respond to requests for comment.

The disputes are many, but they center on cutting federal spending and stepping up border security, with opposition to Ukraine funding and complaints about Justice Department prosecutions of former President Donald Trump and others also in the mix. Members have been talking a big game, with some saying a brief shutdown might be worth it if it brings real change to Washington.

"If a temporary shutdown is more concerning to you than our $2 trillion deficit and $33 trillion national debt, I'd politely suggest you're part of the problem," Rep. Ralph Norman (R., S.C.), another of the dissidents, said in a post.

"Nothing happens in this town without force," Rep. Eli Crane (R., Texas), another of the 20 conservatives, wrote in a social-media post. "In this spending fight, we can & absolutely must force: A secure border; An end to the weaponization of the DOJ & FBI; An eradication of woke policies from our military; And let's not forget ripping up the blank check to Ukraine."

With just weeks until a possible shutdown, McCarthy and Senate Majority Leader Chuck Schumer (D., N.Y.) have agreed that Congress will need to pass a short-term funding bill, known as a continuing resolution, by the end of September to buy time for a full-year agreement. The hard-liners worry that the continuing resolution is a precursor to passage of a large, omnibus spending bill that they will dislike, and many say they will only allow passage of the short-term bill if it contains concessions to conservatives.

The continuing resolution is also expected to be the vehicle for several Biden administration priorities. In August, Biden asked Congress for an extra $40 billion for items the administration termed critical, including $24 billion in defense, energy and humanitarian funding for Kyiv. He also asked for almost $4 billion to deal with strains at the border, and $12 billion for the Federal Emergency Management Agency's disaster relief fund.

ANNA MONEYMAKER/GETTY IMAGES

Speaker Kevin McCarthy in July. GOP House dissidents are set to press him on their priorities.

He later said an additional $4 billion in disaster-relief money would be needed.

Both Schumer and Senate Minority Leader Mitch McConnell (R., Ky.) have backed that extra spending.

But many House Republicans oppose more funding for Ukraine. On top of that, even when they agree with the White House on the need to put money into the border, they oppose the approach the Biden administration is taking.

Of the nearly $4 billion requested, the White House would put $203 million into Customs and Border Protection, including for migrant transportation, medical care and the sorts of structures that the agency has used to process migrants. It would provide $600 million to FEMA for shelter, as well as provide money for immigration judges. Some $714 million would go to Immigration and Customs Enforcement to deal with migrant surges, with much of the money expected to go for priorities like processing of migrants.

"What he's asking for is not border security—it's more processing power to bring more people into the United States," said Rep. Byron Donalds (R., Fla.), another member who had voted against McCarthy.

Sen. John Thune (R., S.D.), the No. 2 Senate Republican, said that if the House passed a measure omitting Ukraine funding, the Senate would simply amend the bill to add in Ukraine funding and send that back to the House.

If the Ukraine funding were added, said Donalds, "we should split it right back out" and send the bill back to the Senate without it.

White House spokesperson Andrew Bates said the administration's funding request contained "urgent, bipartisan priorities," and that McCarthy shouldn't "cave to the most extreme members of his conference."

Brash Business Strategy Made Ramaswamy a Fortune

Vivek Ramaswamy was a novice biotech entrepreneur in 2016 with no advanced medical training and no record of developing drugs.

*By **Peter Rudegeair, Jared S. Hopkins** and **John McCormick***

Yet his company landed a meeting with Eli Lilly officials, including its future CEO, on the sidelines of a medical conference. Scribbling scientific diagrams on a board, Ramaswamy discussed the possibility of one of the world's biggest drugmakers acquiring the company's experimental Alzheimer's drug. Never mind that its previous owner shelved it after it failed four studies.

The swagger and contrarianism that Ramaswamy, 38 years old, displayed at the first Republican presidential primary debate last month are the same qualities that propelled his 16-year business career.

He made a fortune as a hedge-fund investor buying undervalued pharmaceutical stocks that later skyrocketed. He founded a biotech startup now worth $9 billion, called **Roivant Sciences**, to advance drugs that big drugmakers deprioritized. And he started and backed financial firms to appeal to an audience that he thought Wall Street ignored.

ELIZABETH FRANTZ FOR THE WALL STREET JOURNAL

Vivek Ramaswamy founded Roivant Sciences, a biotech startup, to advance drugs that big drugmakers deprioritized.

"The guy you see on TV is the guy. He hasn't changed," said Bill Symonds, a former Roivant executive. "He's not afraid to ask questions, he's not afraid to push back if he doesn't agree with something."

This account of Ramaswamy's business career is based on interviews with more than 20 employees, investors, advisers and others who know or worked with him, as well as a review of securities filings, financial disclosures and court documents.

"The way I achieved success, follow a simple formula: Find where the pack is going and then figure out what they missed," Ramaswamy said at a campaign event this year. "In order to be successful, I think you have to buck the consensus, and you have to be right."

That philosophy helped five drugs his companies developed later win approval.

Drug misfires

But many times, Ramaswamy bucked the consensus and was wrong. Of about two dozen biotech startups in Ramaswamy's former empire, at least six folded and at least 16 drugs failed studies or were discontinued. Among those was Axovant Sciences and intepirdine, the compound Lilly had discussed acquiring and that failed its pivotal trial in 2017.

The Ramaswamy campaign said Roivant's success rate vastly exceeded industry averages. Less than 5% of biotechs formed in the past decade worked on a medicine that won regulatory approval, it said.

His bravado has outpaced his record at times. Last year, he cofounded an asset manager that opposed environmental, social and corporate-governance investing principles called Strive.

Strive manages $1 billion in assets, which wouldn't rank it among the top 50 in its field. Net assets in Strive's largest fund peaked early this year. A former Strive employee accused Ramaswamy in a lawsuit of pressuring her to violate securities laws.

"This is a frivolous lawsuit from an aggrieved underperformer who was fired and is now being an opportunist," Tricia McLaughlin, a campaign spokeswoman, said in a statement. A Strive spokeswoman said the company intends to vigorously defend itself.

Ramaswamy, who owns roughly $690 million in stock and millions more in options in the company he founded, is mostly self-funding his campaign. Forbes has estimated his net worth at just under $1 billion.

Ramaswamy doesn't have the résumé of the "outsider" he sells himself as. He has degrees from Harvard and Yale Law School, interned at Goldman Sachs and spent seven years on Wall Street picking stocks at hedge fund QVT Financial.

Behind many of Ramaswamy's biggest wins at QVT was a view that the market was underestimating the promise of hepatitis C therapeutics. QVT bought shares in Pharmasset and other small drug developers focused on treating the liver disease. QVT was one of Pharmasset's largest shareholders in 2011 when Gilead Sciences offered to buy the company for nearly $11 billion, about a 90% premium to its market value at the time.

Ramaswamy left QVT to start Roivant in 2014.

Launching 'Vants'

To be more nimble and efficient, Roivant launched subsidiaries—which it called "Vants"—specializing in disease areas such as women's health or urology to acquire the compounds, finish their clinical testing and steer them through regulatory approval.

"He always had—not crazy ideas—but he always thought about things a little bit more out of the box," said Brent Saunders, chief executive of eye-care company Bausch + Lomb who met Ramaswamy about a decade ago.

Ramaswamy doesn't have the résumé of the 'outsider' he sells himself as.

In Roivant's early days, Ramaswamy hosted salon-like dinners in private rooms of Manhattan restaurants with investors and industry officials to chat—and debate—wonky healthcare issues like drug pricing.

People who worked for Ramaswamy's biotech companies described him as a smart, charismatic and visionary leader. Many also said he was a demanding and workaholic boss, with offices that felt like a manic trading floor.

Financial engineering was crucial to Roivant's model. Employees were given upside in Vants that would pay off if the medicines and therapies they worked on took off. Ramaswamy and Roivant launched initial public offerings for some Vants, merged another into a blank-check company well before that craze swept Wall Street, and did a complex $3 billion deal with Japanese pharmaceutical company Sumitomo Pharma that included the sale of stakes in five Vants.

"He was a brilliant financial engineer, but he didn't seem to have the same passion for science, medicine and patients that you see with most biotech CEOs," said John Maraganore, former CEO of biotech company Alnylam Pharmaceuticals who got to know Ramaswamy at industry events.

McLaughlin disputed that notion, saying Ramaswamy's "understanding of basic science and drug development exceeded that of many industry veterans."

Five drugs Roivant licensed from other entities later won U.S. approval, though four of the medicines were cleared after Roivant sold its stakes. The four drugs are now sold by Sumitomo Pharma.

All the drugs had gone through some human testing by the time Roivant or its subsidiaries took over development, including its psoriasis treatment Vtama that was approved last year.

But there were misfires. Last year Roivant shut down six programs, including drugs for sickle cell disease and acne. Some critics say Roivant's drug-development record isn't stronger than other companies', despite its financial success. They say it should be better because it acquires drugs that have already undergone some testing, unlike drugmakers evaluating their own discoveries.

None of Roivant's subsidiaries "ever became great companies, and I would project that none of them will ever be great companies because they're not about company building," Maraganore said. "It's about financial return."

Roivant didn't comment on the relative strength of its record developing drugs.

Shift to politics

Ramaswamy's public shift toward politics began in 2020 when he started writing Journal opinion columns that promoted his views opposing ESG principles and big tech companies' content moderation. He stepped down as Roivant's CEO in January 2021 and published his first book, "Woke, Inc.," later that year.

Around this time, he was introduced to GloriFi, a banking startup backed by Nick Ayers, a former chief of staff to Mike Pence, and Toby Neugebauer, a former private-equity investor and financial backer of Sen. Ted Cruz (R., Texas). GloriFi planned to provide checking accounts and other financial services to conservatives.

Ramaswamy was the second-largest investor in GloriFi, according to a court filing. He provided advice to Neugebauer, GloriFi's CEO, and recommended someone for a top job, according to emails and text messages reviewed by the Journal. Other GloriFi investors courted Ramaswamy to succeed Neugebauer as CEO, people familiar with the company said. McLaughlin said that Ramaswamy was an investor in an entity that represented the second-largest investor in GloriFi and he never had interest in the CEO job.

But GloriFi stumbled. Some employees alleged that Mr. Neugebauer had a volatile temper and drank on the job, and the company's unusual workspace—Mr. Neugebauer's home in Dallas modeled after the White House—added distractions.

After Ramaswamy weighed in on a March 2022 proposal to raise capital, Neugebauer told a GloriFi board member that Ramaswamy wanted to steal GloriFi, according to an arbitration claim Ayers later filed against Neugebauer. Neugebauer then told the board member that he would "get his gun, get on his plane, fly to Ohio, and kill Ramaswamy," according to the arbitration claim.

The campaign said Ramaswamy only offered advice "like other passive investors in the company."

Neugebauer resigned in October 2022 following a Journal story on GloriFi's struggles. The company declared bankruptcy in February, and the estate subpoenaed Ramaswamy in March for any documents he possessed about GloriFi.

"The notion that Mr. Neugebauer made threats against Mr. Ramaswamy has been investigated by independent third parties and is entirely false," an attorney for Neugebauer said in an email.

As GloriFi foundered, Ramaswamy turned his attention to Strive. Strive exchange-traded funds would take stakes in companies in specific indices and industries, including energy and semiconductors, much the way BlackRock and other ETF issuers do.

Ramaswamy's personal investments account for as much as 14% of the net assets in Strive's U.S. semiconductor ETF, SHOC; as much as 9% of the net assets in Strive's S&P 500 alternative, STRV; and as much as 7% of the net assets in Strive's U.S. energy ETF, DRLL.

Many Strive funds have been slow to take off. Six of nine Strive stock ETFs have less than $40 million in net assets, according to FactSet. DRLL, the first Strive ETF to launch, has seen net outflows of about $30 million since the start of 2023, according to FactSet.

Strive said it had been a top financial performer in its field. McLaughlin said the company reached $1 billion in ETF assets faster than bigger competitors like JPMorgan Chase, and Ramaswamy's personal investments account for about 2% of Strive's total. Ramaswamy "puts his money where his mouth is," she said.

Trump Under Pressure to Close Media Deal

By Amrith Ramkumar And Keach Hagey

Donald Trump's media company is pushing to complete a lucrative deal to go public, but it faces pressure from a slowdown in growth and the former president's return to mainstream social media.

Truth Social's parent company is trying to go public through a merger with a special-purpose acquisition company. The transaction could value **Trump Media & Technology Group** at more than $1 billion and generate a windfall of hundreds of millions of dollars. Trump would own about half the public company as its chairman.

Without a deal, Truth Social would likely have a tougher time raising cash as a private company while facing an increasingly competitive social-media landscape.

Digital World Acquisition Corp., the SPAC that has agreed to buy Trump Media, has pushed back its deadline for taking the company public multiple times, as the shell company faced federal investigations into insider trading and premature discussions about the merger that weren't disclosed to investors.

The SPAC won another reprieve Tuesday when it got one more year to merge with the social network's parent.

To complete the deal, Trump Media needs regulators to approve financial statements documenting its recent business performance. That is normally a routine part of a public offering, but Trump Media hasn't disclosed many details about its business in the two years since the merger was first announced. These details need to be publicly disclosed for a deal to be completed.

The company and the SPAC also need to persuade hedge funds not to pull committed investments, despite delays that led to a retreat in Digital World's shares. Some hedge funds have already pulled out, and others could follow if they don't see the quick return they expected. The deal could still get done without the hedge-fund money, but their withdrawal would leave Trump Media with much less cash to grow the business.

Even if the deal is completed, Truth Social faces a volatile social-media landscape. Many analysts view the platform as much less valuable now that Elon Musk has taken over X, formerly known as Twitter, and reinstated Trump's account.

"It's wildly overvalued...We just haven't seen anything by way of revenue, users on the platform or anything else," said Julian Klymochko, who manages a SPAC-focused fund at Accelerate Financial Technologies that doesn't include Digital World.

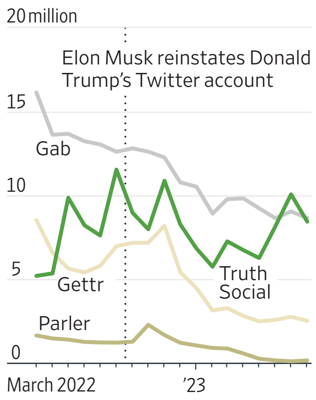
For his first post on X in more than two years, Trump shared his mug shot from the Fulton County, Ga., jail, where he surrendered to charges of operating a criminal enterprise that sought to overturn President Joe Biden's 2020 electoral victory in the state. Trump has about 87 million followers on X, dwarfing his six million followers on Truth Social.

Truth Social has been downloaded about two million times this year, down from roughly four million last year following its February 2022 launch, according to market intelligence firm Sensor Tower. The average monthly number of global visitors to the site has fallen in 2023, according to digital intelligence platform Similarweb.

Trump has said he remains committed to Truth Social, where he shared results of the shareholder vote extending the deadline for Trump Media to go public. Devin Nunes, Trump Media's chief executive and a former California congressman, said in a statement after the vote that the company will move as quickly as possible to finish the deal.

Digital World acknowledges the risks the merger faces. The company has said in regulatory filings that Trump's legal issues could damage his reputation, distract him from the business or force him to resign as chairman. Trump Media spokeswoman Shannon Devine declined to comment about Truth Social or the deal.

Monthly global visitors to alternative social-media platforms



Note: Parler was shut down in early 2023
Source: Similarweb

U.S. WATCH

VIRGINIA

Father Arrested at Meeting Pardoned

The father of a Virginia student sexually assaulted in her high school bathroom has been pardoned after his arrest two years ago protesting a school board meeting became a flashpoint in the conservative push to increase parental involvement in public education.

Virginia Republican Gov. Glenn Youngkin said on "Fox News Sunday" that he had pardoned Scott Smith of his disorderly-conduct conviction stemming from the June 2021 incident.

The episode featured prominently throughout the gubernatorial campaign that year for Youngkin, who has made support for the so-called parents' rights movement a cornerstone of his political brand.

"Scott Smith is a dedicated parent who's faced unwarranted charges in his pursuit to protect his daughter," Youngkin said on Sunday.

In a statement released Sunday, Smith vowed to pursue legal action against Loudoun County Public Schools and continue fighting "for parents and their children." The district didn't respond to a phone call and email requesting a response.

A trial was scheduled this fall over Smith's appeal of the disorderly-conduct conviction. A circuit-court judge had already tossed another charge of obstructing justice.

—Associated Press

NEW YORK

Gunfire Hits School Security Guard

A school security guard breaking up a fight in a parking lot outside a high-school football game in central New York was wounded when someone fired gunshots and the guard was hit in the back of the head, Utica police said.

The security guard was hospitalized in critical but stable condition after the shooting Saturday afternoon outside Proctor High School, police said.

Police said the game between Proctor High School and Binghamton High School was in its final moments around 4 p.m. when the fight happened in the parking lot outside the stadium.

At least two of the school's security employees got involved to stop it, and that was when shots were fired and the guard was hit, police said.

No one else was injured and no arrests have been made.

—Associated Press

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WORLD NEWS

Vietnam, U.S. Strengthen Diplomatic Ties

Biden, in Hanoi visit, secures pact putting America on same rung as China, Russia

HANOI—The U.S. entered a new and strengthened diplomatic partnership with Vietnam, a country where it fought for years to prevent a Communist takeover, as Washington seeks to counterbalance China in the region.

By ***Jon Emont, Catherine Lucey*** *and* ***Katy Stech Ferek***

SAUL LOEB/AGENCE FRANCE-PRESSE/GETTY IMAGES

President Biden attended a welcoming ceremony with Vietnamese leader Nguyen Phu Trong at the Presidential Palace in Hanoi on Sunday.

President Biden arrived in Vietnam on Sunday to elevate the relationship to Vietnam's highest designation for foreign partners—a comprehensive strategic partnership—from its lowest. While it isn't a defense alliance, it formally puts Washington at the same level as Russia and China in the eyes of the Vietnam government.

While the new status is symbolic, it is aimed at giving American companies, including defense contractors, reassurance that the recent warming relations will endure, and promote Vietnam as a dependable location for U.S. manufacturing operations abroad. It also sends a message to China and Russia, two longstanding partners of Vietnam, about the growing strength of U.S. ties.

The U.S. pledged a series of initiatives as part of the announcement, including a new partnership to expand Vietnam's semiconductor-production base in support of U.S. industry, as well as other investments in trade. High-level meetings between U.S. officials and their Vietnamese counterparts are expected to become more common.

"This trip has been a historic moment," Biden said following talks with Nguyen Phu Trong, the general secretary of the Vietnamese Communist Party. "Today we can trace a 50-year arc of progress in the relationship between our nations from conflict to normalization, to some new elevated status that will be a force for prosperity and security."

The Vietnamese leader said the U.S.-Vietnam partnership has grown by "leaps and bounds" and was now "elevated to a new height."

Both countries are seeking a counterbalance to what they see as a threat posed by China. On Sunday, Biden reiterated that the U.S. was seeking stability in its relationship with China.

The elevation of the U.S. relationship with Vietnam comes nearly 30 years after the countries established diplomatic ties. After the Communist victory in the Vietnam War in 1975, Washington placed a trade embargo on Vietnam that was maintained until the 1990s.

More recently, annual trade between the U.S. and Vietnam has exploded—more than doubling in the past five years—as Western companies shift manufacturing from China. American companies like **Apple** and **Nike** have expanded their production bases in Vietnam in recent years, and **Intel** has boosted investment in its Ho Chi Minh City plant.

"In a system like Vietnam's, it's a signal to their entire government, to their entire bureaucracy about the depth of cooperation and alignment with another country," said Jon Finer, principal deputy national-security adviser.

The announcement shows how the relationship between the two countries continues to warm, said Erin Murphy, senior fellow for the Asia Program at the Center for Strategic and International Studies think tank.

Vietnam is "one of the few countries in the region that has the same qualms about China on the national-security side, but also, economically, they are one of the few places where you can scale up on manufacturing," she said, noting Vietnam's growth in vaccines and electronics.

Ted Osius, a former U.S. ambassador to Vietnam, said the partnership reflects a remarkable acceleration of trust given how cautious Vietnamese leaders have been about irritating Beijing.

"They decided to put aside their hesitation," said Osius, now chief executive of the US-ASEAN Business Council, a trade group that advocates for U.S. businesses in Southeast Asia.

While the partnership doesn't come with concrete gains for U.S. businesses, such as lower tariffs, Osius said it signals to executives that Vietnam is able to participate in sophisticated supply chains and should be considered by companies looking for factory locations outside China.

The Biden administration is seeking to deter Chinese aggression in the region by building closer links with friendly Asian countries. In recent months, it has made diplomatic strides in nations that have sometimes been skeptical of U.S. intentions, expanding the U.S. military's access to bases in the Philippines, agreeing to jointly produce jet engines in India and now boosting ties with Vietnam.

Still, Vietnam maintains close relations with China and is unlikely to join any anti-China coalition. China is the main source of raw materials Vietnamese factories use to churn out clothing, shoes and television sets for export to the West. The two Communist nations are both wary of rhetoric promoting Western-style human rights and democracy.

As the two leaders spoke, Trong talked about the importance of "noninterference in domestic affairs." At one point Biden said: "I also raised human rights as a priority for both my administration and the American people."

In a sign of their close bonds, Trong was the first world leader to visit Chinese leader Xi Jinping in Beijing after he secured a third term last October. At the time, the two countries pledged to "promote the unceasing development of socialism."

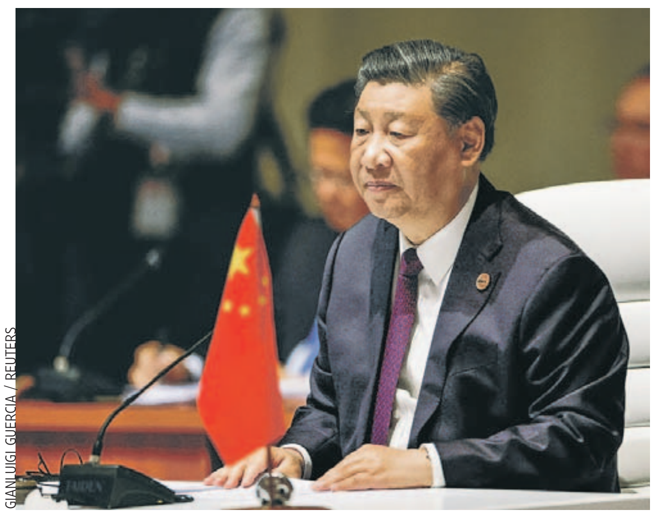
Vietnam also maintains close ties with Russia, which supplies most of its imported weapons. Moscow has long filled a void, as Western countries have been leery of selling arms to Hanoi until recently. Vietnam has sought to avoid going to China for weapons. The two countries fought a deadly border war in 1979.

"It's not communism or socialism that is driving Vietnam's foreign policy; it's national interest and pragmatism," said Le Hong Hiep, senior fellow at the Iseas-Yusof Ishak Institute, a think tank in Singapore.

Xi Hinders Bid to Stem Downturn

Continued from Page One

necessary to stabilize the economy fully.



GIANLUIGI GUERCIA / REUTERS

Xi Jinping has taken greater control over China's economy.

Without a clearer mandate from Xi to rekindle growth, local government officials worry they could be held accountable for policy mistakes. Many are sitting on their hands, adding to delays in addressing the slowdown, economists said.

"The centralization of China's political system has weakened the credibility of anyone not named Xi Jinping in delivering confidence-building messages that the leadership intends to change course," wrote Logan Wright, a senior associate at the Center for Strategic and International Studies, a Washington think tank, in a recent commentary.

The State Council Information Office, which handles media inquiries for China's leadership, didn't respond to questions.

On Sunday, President Biden reiterated that the U.S. was seeking stability in its relationship with China. He also said China faced a "difficult" economy and "we're all better off if China does well."

The world's second-largest economy has been struggling since a brief post-Covid recovery early in the year gave way to a sharp slowdown. Factory activity has contracted, investment has slowed and consumer sentiment has been weak. A once-booming property market is in distress.

As early as June, a sense of urgency was growing among senior Chinese officials who had been counting on a stronger rebound after the end of Xi's "zero-Covid" policy, people familiar with the matter said.

Various arms of the government, from its top economic-planning agency to those in charge of finance and housing, held at least a dozen closed-door discussions with economists to seek their advice.

"You can feel the anxiety in the room," said one of the economists who participated in two of the sessions in June. "The consensus among the experts invited was that the government must act forcefully to stimulate growth."

Then, for weeks, little happened. The government apparatus headed by the State Council, which has day-to-day responsibility for the economy, needs Xi's signoff for any significant policy move—a change from previous years when the State Council and China's premier, its No. 2 official, had more latitude in setting economic policy.

Even as the property market has become the biggest drag on growth, the government has continued to tread a cautious path toward relaxing policies embraced by Xi over the past few years to rein in speculative home buying and punish developers that expanded too quickly.

Many economists said China needs, in essence, to bail out the market, with more steps to help developers restructure their debts and complete unfinished projects, while boosting home buyers' confidence through direct subsidies.

The top leader's apparent reluctance to embrace such moves, which people familiar with the matter said is partly rooted in his ideological preference for austerity, is alarming a public that was growing worried that Beijing might have shifted its overarching priority away from economic growth toward other matters such as national security.

Some people point to how Beijing has tightened restrictions on foreign companies, on top of a longer-running crackdown on private technology companies, which has led to weaker growth.

"Xi's centralization of power has caused a crisis of confidence in China's economy not seen since 1978," after Mao Zedong's death, said Minxin Pei, a Claremont McKenna College professor and editor of the quarterly journal China Leadership Monitor, who has called on Xi to delegate more responsibility to revive economic dynamism.

"To make people feel hopeful again about China's prospects, he would need to empower those who understand the economy to set the policy, like his predecessors since Deng Xiaoping did," Pei said.

Deng, whose policies launched China's decadeslong boom, introduced a collective-leadership system to protect against one-man rule, gave capitalist forces wider room to flourish, and made the Communist Party cede some control to the government bureaucracy on matters such as the economy.

Xi, by contrast, has cemented his one-man rule, reined in private businesses and emphasized the party's leadership over governance.

Some investors and entrepreneurs thought Beijing could be shifting toward a more pro-business, pro-growth approach when Xi's handpicked premier, Li Qiang, took office this year. The former Shanghai party boss is known among investors as a pragmatist. Many of those hopes have since petered out, as Li and his team have done little to challenge Xi's politics-in-command agenda.

"China's economic recovery rate is leading among major global economies," Xi said in July. China's growth rate was 5.5% during the first half of the year compared with a year earlier, though that result was boosted by strong activity in the early part of 2023. "The long-term positive fundamentals haven't changed," he said.

More-aggressive moves, such as rescuing major developers, are needed to ensure a recovery, said Ting Lu, chief China economist at Nomura.

The open question now is how to boost the property sector without fueling another asset bubble, said Larry Hu, chief China economist at Macquarie Group.

An article published Aug. 23 by Economic Daily, a state-owned newspaper, warned against reinflating the housing bubble, triggering fresh debate over Beijing's commitment to rescuing the real-estate market.

The principle Xi set to rein in speculative home purchases must be adhered to in the long run, the article said, adding that "China cannot go down the old path of relying on the real-estate sector and allowing home prices to appreciate too fast."

U.S.-Backed Chile Coup Still Divides

BY PATRICIA GARIP AND JUAN FORERO

SANTIAGO, Chile—As Chile prepares to observe the 50th anniversary of the CIA-backed coup that toppled President Salvador Allende, the events and 17-year dictatorship that followed remain an open wound in this country.

Allende's legacy continues to stir divisions and controversy as President Gabriel Boric, a 37-year-old leftist who has echoed the tone of the late Marxist leader, is struggling to win approval for an ambitious social agenda.

"I had hoped this would be a moment to unite, beyond the legitimate differences we might have," the president recently told reporters.

Salvador Allende's legacy continues to stir divisions and controversy.

Instead, Boric has publicly traded barbs over the coup, and the conservative political opposition plans to boycott Monday's commemoration ceremony, which the presidents of Mexico and other countries are expected to attend.

For many on the left worldwide, Allende is a martyr who died for his convictions. For them, the coup and Allende's death—he shot himself with an AK-47 as soldiers stormed the presidential palace—symbolized unbridled American power at the height of the Cold War.

In Chile, opinions remain divided. Maria Isabel Ortega was 20 years old in 1973 and recalls feeling enthralled by Allende and his gestures toward the poor.

Camila Brito, a retired social worker, has vastly different memories. "The markets were all empty," she said.

In 1973, with the country plunged into chaos, a little-known general, Augusto Pinochet, moved against Allende, using troops and air force jets to attack La Moneda, the presidential palace. In the aftermath, security forces killed more than 3,200 people and hundreds of them disappeared, their bodies yet to be found. Declassified U.S. documents from the era show the administration of then U.S. President Richard Nixon had undermined Chile's economy and financed Allende's opponents.

Today, many of those who served under Allende, or supported him at the time, have increasingly nuanced views of his tumultuous 1,000 days in office.

A March poll by Chilean firm Mori found that only 42% of respondents think the coup destroyed democracy, compared with 63% in 2013. Some 36% said Pinochet's takeover freed Chile from Marxism, up from 18% in 2013. Another Chilean pollster, Pulso Ciudadano, showed 56.5% of respondents cared little or not at all about the commemoration.

In recent forums leading up to Monday's observance, historians and some prominent Allende-era figures have reexamined Allende's rule, careful not to encourage Chileans who justify the coup but wanting to debunk myths that they say drive a new generation to risk making mistakes similar to those of the late president.

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Denise, adopted 17-year-old Amina

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WORLD NEWS

Morocco Quake Toll Tops 2,000

Continued from Page One
to tremors.

The 6.8-magnitude earthquake sent rocks crashing down onto mountain roads, making them impassable. Moroccan authorities said they were trying to get heavy machines into the mountains to create a path and start rescue efforts.

But an interior ministry official said some villages near the earthquake's epicenter remained unreachable. Several other towns were flattened, the official said.

"We desperately need help," said Mohammed Ettayar, of Moulay Brahim.

Dozens of countries and foreign-aid groups said they were offering manpower, equipment and other assistance to Morocco, but as of Sunday, the kingdom's government had only accepted rescue workers from the U.K., United Arab Emirates, Spain and Qatar, according to a spokesperson from the interior ministry.

King Mohammed VI ordered the government to provide shelter and rebuild houses and called on local authorities to stockpile tents, food, beds and medicine. The military took the lead, with state television showing soldiers in fatigues picking through rubble. A Moroccan official said the government believed it had the resources it needed to respond. On Sunday evening, interior ministry officials said they worried about the inability of foreign aid groups to coordinate effectively, adding they would allow more international help as needed.

"The Moroccan government is completely blocking rescue teams," said Arnaud Fraisse, founder of Rescuers Without Borders, a French humanitarian group. "We do not understand."

Rural hospitals were quickly overwhelmed with casualties, who were taken by ambulance and in some cases by helicopter to urban centers. Authorities said they were determined to prevent further deaths, but with many injured people in critical condition, they said they expected the toll to rise.

In Marrakesh, the closest large city to the quake's epicenter, thousands huddled in public parks, setting up tents under palm trees and street lamps. On a grassy pedestrian strip beside a road running past the Four Seasons Hotel and a shopping mall, they sat together beside public fountains, eating food distributed by charities.

Fearing aftershocks, Rita Diskou packed blankets, food and water and spent a second night with her family at a pedestrian shopping strip downtown where others had gathered. "It was cold," she said, but "we're afraid to not stay awake."

Outside the city, some residents were advised to evacuate their homes but found the roads were too damaged to go elsewhere.

Intissar Fakir, North Africa program director for the Middle East Institute, a Washington think tank, said there was "a lot of social anger" after the king waited 18 hours to make a public statement, which she called a missed opportunity.

"The monarchy is trying to catch up," Fakir said, predicting that any protests would be quickly quashed.

In Moulay Brahim, men carried coffins down a hill to a local cemetery, while women watched from above and wailed. Nearby was a mosque with cracked walls, where makeshift tents had been constructed to house survivors.

A few ambulances drove through the village, heading up into the mountains in the direction of the epicenter of the earthquake. Official rescue teams arrived here Sunday morning, more than 24 hours after the quake, but there were only a few personnel on hand.

Moulay is among a host of mountain towns that were already struggling with inflation, including costs of fuel and food. The women generally stay at home, while the men work in construction or work the land, herding sheep and tending to herbs and olive trees. Farming has been difficult due to drought. Some families make income renting out rooms to backpackers, including foreigners.

Standing outside the only hospital dispensary, Rihab Belblou said she lost both her siblings, 11-year-old Maryam and 6-year-old Mohammed. Maryam was blinking but wasn't speaking when the family brought her to the clinic Saturday morning. Her mouth and face were covered in gravel and she was in desperate need of oxygen.

She died soon after. "The doctor said there was no equipment," Belblou said.

Hassan Ait Lhaj Lahcen raced back to his family's home here after the quake and found it in ruins. He lost a fingernail frantically digging through the wreckage before he pulled out the body of his 63-year-old mother, and later his niece, two days old.

"Every hour, I brought up a body," he said.

His mother's body was still warm, and he tried to give her CPR. "I tried everything," he said.

On Sunday, Lahcen and his father worked nonstop to get inside their home to take out belongings, including their national IDs and what little coins and cash they could find.

Survivors in their family huddled around to watch, most of them still in shock. One cousin, Fatima Ait Salah, was two months pregnant and had escaped from her falling home with her husband and 3-year-old son by sliding down a destroyed flight of stairs.

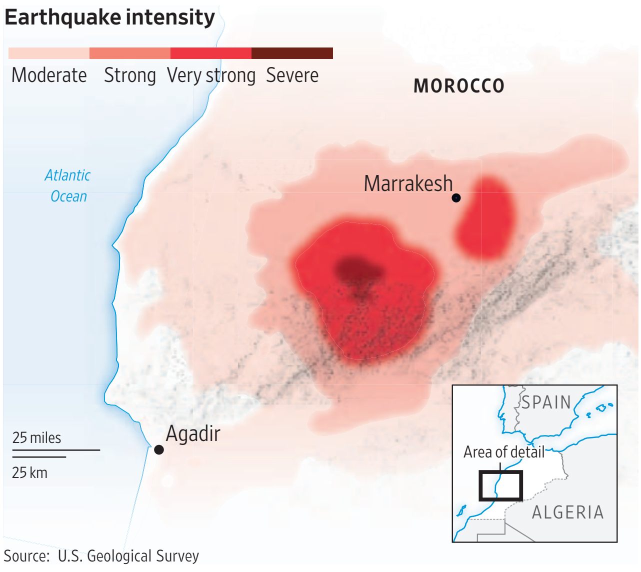
"When I came out, I had no slippers," she said. Salah said she then found herself surrounded by neighbors covered in blood.

"I was screaming for help," she said, "but there were no answers."

—Ghassan Adnan contributed to this article.

MYRIAM MELONI FOR THE WALL STREET JOURNAL

A woman grieves in the earthquake-torn town of Moulay Brahim in Morocco's Atlas Mountains.



Source: U.S. Geological Survey

Watch a Video
Scan this code for a video of the devastation from the quake in Morocco.

Tourism Loss Deals Economy New Blow

BY STEPHEN KALIN AND BENOIT FAUCON

This weekend's powerful earthquake that killed more than 2,000 people also struck at the heart of Morocco's tourism industry weeks ahead of peak season and just as the sector was starting to recover from the Covid-19 pandemic.

The North African country has already been suffering from a significant economic contraction this year. Now it faces potential losses of up to 8% of gross domestic product, with the most likely scenario being losses of between $1 billion and $10 billion, according to estimates from the U.S. Geological Survey.

Hardest hit was the remote mountainous area south of Marrakesh, where the 6.8-magnitude quake was centered. The region is popular with day trekkers in the summer and skiers during winter. Foreign tourism is an economic lifeline for the villagers, who supply tourism workers to Marrakesh while occupying the poorest regions of Morocco.

"I'm sure nobody will be interested in going there....Even locals will have a big hesitation of visiting those places" for at least the next month, said Redouane Ouadi, founder of a luxury tour provider called JourneyMorocco. "It will impact very badly the economical side of the country, because Morocco is based really on tourism," said Ouadi.

Tourism in Morocco plummeted by 79% during the pandemic, falling to 2.8 million visitors in 2020 from around 12.9 million in 2019 , according to data from the tourism ministry.

The industry accounted for more than 10% of economic activity and total employment in 2019.

dog•ged
/ˈdôgəd/
adjective

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FROM PAGE ONE

Banker Draws Elite Client List

Continued from Page One
specific clients other than Stewart.

Heller is notoriously blunt. A few years ago, she landed a new client after she confronted him for sitting too close to her while she was eating lunch at the Cipriani near her Manhattan office.

For years, Heller's gruff voice mail told callers: "Hello, this is Jane, leave your name and number and I'll call you back. If you don't leave your name and number, I won't call you back."

"I don't waste your time and you're not gonna waste mine," she said in an interview.

Heller grew up in a Cincinnati suburb—her father operated a local Oldsmobile and Cadillac dealership—in a home designed by Frank Lloyd Wright. After attending the University of Wisconsin, she married and worked at different banks. She thought she would never work again once she had a child.

EMILY ASSIRAN FOR THE WALL STREET JOURNAL

'I don't waste your time and you're not gonna waste mine,' says Jane Heller.

Then she decided to get divorced and moved to New York in 1972. She lived a few blocks from the headquarters of the bank that later became Citigroup. Heller rolled her three-month-old son into their offices in a stroller to ask for a job. Eventually, they gave her a spot in a training program.

Male colleagues were still getting used to women in the workplace. In her first corporate-lending job at Citi, she recalls her boss telling her: "I don't like women and I don't like women who work. I'm gonna call you 'Henry.' " She bit her tongue each time he did.

Heller eventually married Steve Gerard, who held a senior role in her part of the bank. To avoid conflicts, she transferred to a job in private banking, a relatively small division at the time. Heller and Gerard were married for more than 40 years; he died last year.

U.S. banks like Citi started growing their wealth-management offerings in the 1980s and '90s. To land these lucrative bank accounts and loans, they showered clients with perks like Super Bowl tickets and spots on the Queen Elizabeth 2 ocean liner.

Private banking is now the highest tier of a broader wealth operation at many big U.S. banks. At Bank of America, private-bank clients have at least $3 million in assets; Heller's tend to be far richer.

"I remember doing my first $50 million loan in the 1990s—that was a big loan. Now that's pretty commonplace," said Nina McElroy, a private banker who has worked with Heller at Citi and now at Bank of America.

Loans to wealthy people tend to be low risk because they are usually backed by collateral like stocks and real estate. Borrowing, in turn, allows wealthy clients to save on taxes and avoid selling lucrative investments in vehicles like private-equity funds when they need cash.

Heller started off pitching loans to her former corporate-banking clients. She also scanned magazines and newspapers to find people who were buying art and fancy homes and would cold-call them. Her ideal client was around her age and starting to get wealthy. A mortgage for an expensive property was often the start of a relationship that lasts to this day.

Heller felt she was underpaid at Citi and left in 1995 for NationsBank, which became Bank of America. The lender's wealth businesses expanded dramatically after deals for U.S. Trust in 2007 and Merrill Lynch in 2009.

Heller and a few other top private bankers work from the General Motors Building near Central Park. Her office is overflowing with snow globes and other knickknacks.

Heller, who can be spotted in a mink coat in the winter, doesn't keep a computer on her desk and prefers the phone.

Clients said they stick with Heller because she has been there for them in times of need and spares them from the bureaucracy they can run into at other big banks.

Nearly 20 years ago, Stewart served five months in prison after she was convicted of obstructing a government investigation into her sale of stock. Heller visited multiple times. "In that situation you have to know who your friends are," Stewart said.

Ken Aretsky, a New York restaurateur and longtime Heller client, described her as "the single best banker in the city."

"There were times I thought I shouldn't have gotten money but she gave me money," he said.

When he was diagnosed with cancer years ago, she reached out to top doctors on his behalf despite his protests, Aretsky said. "She will yell at you but would never let anyone else yell at you."

Earnings Views Fuel Stock Rally

Continued from Page One
earnings forecasts and caution that stocks still look expensive historically, even after the market's recent stall.

The S&P 500 is trading at 18.7 times its expected earnings over the next 12 months, above the 10-year average of 17.7 and up from 16.8 at the end of last year.

Earnings-per-share forecasts are at or near records for most S&P 500 sectors, including the technology, communication-services and consumer-discretionary groups. Those segments have led the index's 2023 gains, with technology stocks advancing 41%, communications stocks climbing 43% and consumer-discretionary stocks rising 32%.

Analysts in recent days also have given their highest-ever estimates for per-share earnings from the industrials sector and the beaten-down utilities group. Industrials and utilities are up 7.1% and down 11% this year, respectively.

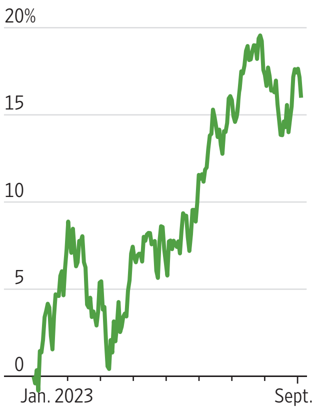
David Lefkowitz, head of U.S. equities at UBS Global Wealth Management, said he expects stocks to be range-bound through the end of the year, under pressure from the resumption of student-loan repayments as well as high energy prices and mortgage rates. His team predicts the S&P 500 will trade at 4500 in December and 4700 next June, up 1% and 5.4%, respectively, from Friday's close.

"For the market to continue to move higher, you're going to have to see those profit improvements likely continuing further out in time," he said.

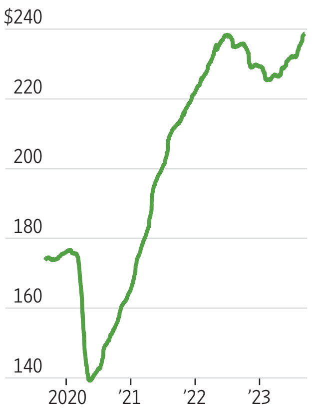
The optimism about earnings comes as investors and executives have grown more confident in the economy. Consumer spending and the job market have held up even as the Federal Reserve aggressively raised interest rates. Inflation was at a 3.2% annual level in July, down from a four-decade high of 9.1% in June 2022.

Investors will scrutinize the latest data on consumer-price inflation Wednesday and producer-price figures Thursday as they try to predict the Fed's next moves. Traders are nearly sure central-bank officials will hold rates steady when they meet later this month, but they are assigning a 45% probability of at least one more increase by the end of the year, according to CME Group's FedWatch tool.

S&P 500 performance



S&P 500 earnings-per-share estimate for next 12 months



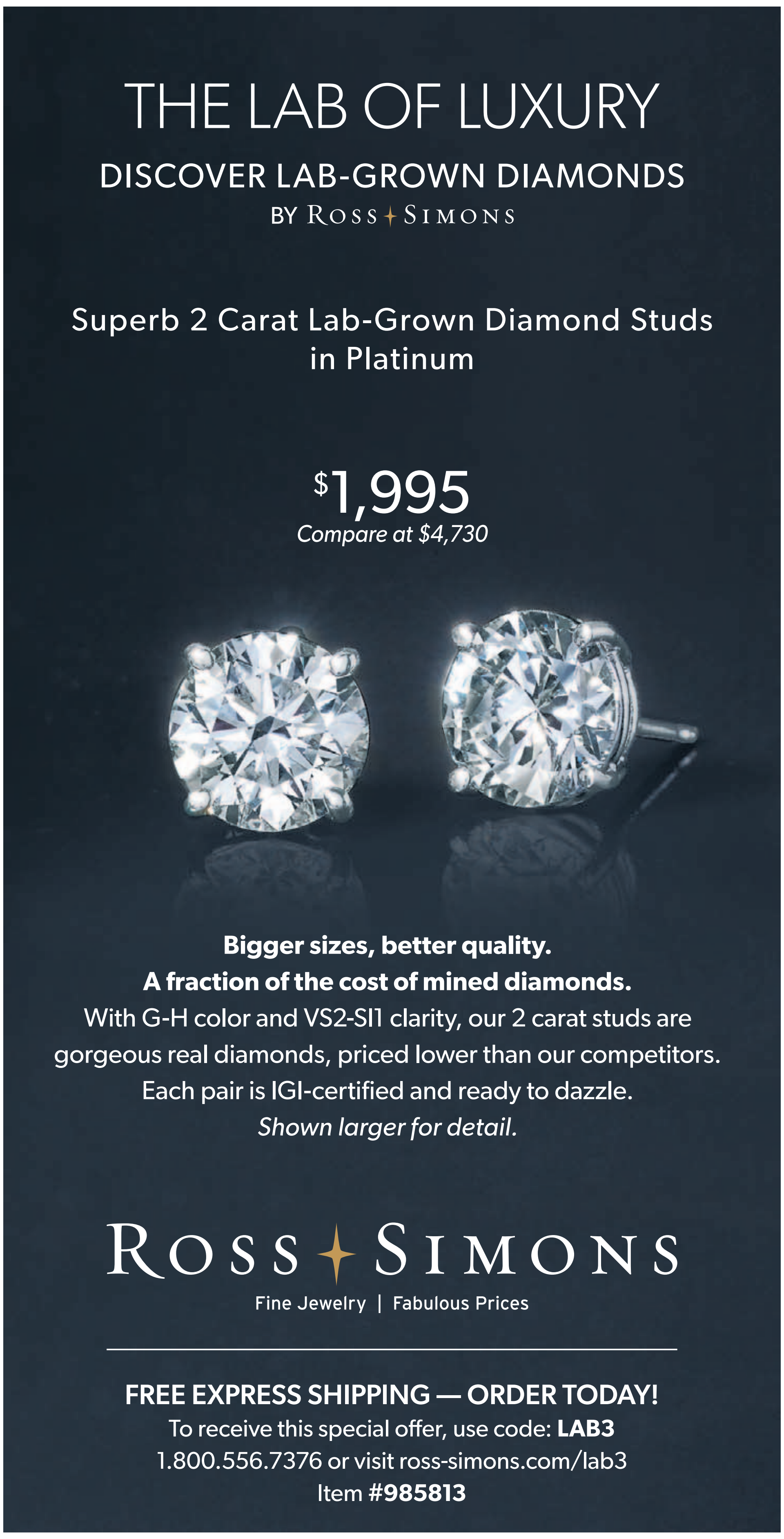
Source: FactSet

Worries about the economy seem to be subsiding within big U.S. businesses. Sixty-two companies in the S&P 500 cited "recession" on earnings calls from June 15 through Aug. 31, down from 113 during the previous reporting period and well below the peak of 238 in the summer of 2022, according to FactSet.

"It's like the most anticipated recession in modern history is not going to come," said Jamie Cox, managing partner for Harris Financial Group.

The view that U.S. companies are going to make ever more money has kept many investors betting on stocks. Bank of America said in recent days that BofA equities clients had been net buyers of U.S. equities for five consecutive weeks.

"That is why you own equities: It's to share in the profits of companies," said Michael Rosen, chief investment officer at Angeles Investments. "That's exactly what is happening. It's why the markets are up and why we remain fully invested."



She Tells Groan-Up Dad Jokes

Continued from Page One
that, to great effect, last a couple of beats too long.

"So what if I can't spell Armageddon?" she says in one video. "*It's not like it's the end of the world*."

Tick. Tick.

Fans leave her such comments as, "Horrific watch, as always."

Helen Blodgett, Pratt's freshman roommate, said she recalled one of Pratt's first jokes at the university dining hall last year: How do I take my coffee? *Seriously. Very seriously*.

"My friends were, like, getting a kick out of it one night. I was just doing Dad jokes," Pratt said. "They're, like, 'Your delivery is something else.' I was, like, 'Yeah, it's pretty awkward, isn't it?' "

Cringe comedy

Pratt's first videos were intended to entertain friends and family. "Then we got back from Christmas vacation," her friend Blodgett said. "People started recognizing her on campus." Videos went viral, and Pratt was soon recording as many as four a day for @wisewordsfromneve.

"They never have the candy I like at the movie theater," Pratt says. "That's why I always got a couple of *Twix* up my sleeve!"

Tick. Tick.

Pratt is a pickleballer, skier and snowboarder. On a ski lift last winter, she was making wise with fellow passengers heading up the slopes, Blodgett said.

"You can't buy happiness," Pratt says on a video, "*but you can buy a ski pass*."

Tick. Tick.

Neve's father, Bill Pratt, said he and his wife, Jenna Pratt, were always joking around at home in Holladay, Utah, outside of Salt Lake City. "It's definitely rubbed off on all our kids...Neve especially," said Pratt, 53, who works in sales for a tech company. "Jenna and I, we think we're pretty funny. Our other kids may not."

Jenna Pratt, the mother of four, said, "Dad jokes? I jokingly take offense to that. I'm just as funny."

Everybody is now pitching in—the elder Pratts and Blodgett—either helping behind the camera to record TikTok segments or workshopping gags. Neve Pratt has landed gigs with the NBA's Utah Jazz and the NHL's Seattle Kraken, telling knee-slappers with the Kraken mascot.

"The fact that I'm making a salary off of Dad jokes is wild," said Pratt, who revealed only that her returns were enough to make a living.

From a scholarly perspective, Dad jokes are a form of fatherly teasing that can teach children to lighten up, said Marc Hye-Knudsen, a humor researcher at Aarhus University in Denmark. They are a way of "showing your kids that it's OK to be lame," he said. "Embarrassment is not the worst thing in the world."

Generally, the worse the Dad jokes, the more people laugh. "You can be so lame or so stupid or so unfunny that that, paradoxically, makes it funny," Hye-Knudsen said.

"Have you ever tried eating a clock?" Pratt asks. "*It's really time-consuming...especially if you go for seconds.*"

Tick. Tick.

Celebrity has followed Pratt to the real world. Her father said she has been hailed by fans during family vacations. Many butcher her first name, Neve, which rhymes with Bev. During a restaurant outing, "the server stopped midsentence and said, 'Are you Neve?' I'm fan-girling right now," Bill Pratt recalled.

"Jenna and I looked up," he said, and they wondered, "What in the world is happening right now?"

"Me and websites are very similar," Pratt says in a video. "*We both use cookies to enhance our performance*."

Tick. Tick.

Neve Pratt is studying to be a nurse but feels the tug of stand-up comedy. She dreams of appearing on the TV show "Saturday Night Live," where a live audience could groan in appreciation.

When she first toured the Utah State campus, Pratt joked with the guide about her career aspirations. "I was, like, 'Oh yeah, my major is comedy,' "she said. "And I ran with it."

Putin Wants Hit Man Back

FROM LEFT: CHRISTOPH SOEDER/DPA/AGENCE FRANCE-PRESSE/GETTY IMAGES; BERLIN POLICE

Top, Berlin police photo of Vadim Krasikov. Left, forensic experts gathering evidence at the public park where Zemlikhan Khangoshvili, a Chechen insurgent, was killed in Berlin on Aug. 23, 2019. Krasikov was convicted of the murder and is serving a life sentence.

Continued from Page One
Shortly before the 2021 verdict, Russian President Vladimir Putin ordered his top security adviser, Nikolai Patrushev, to explore a prisoner swap to free Krasikov, said a former European official with connections to senior Russian government figures. That underscored the high value placed on Krasikov by Putin, a former KGB officer who later headed its successor agency, the Federal Security Service, or FSB.

Moscow has since brought up Krasikov's case in prisoner-swap negotiations, according to Western officials. The officials said Krasikov is central to U.S. efforts to win the release of people held by Russia, possibly including U.S. Marine veteran Paul Whelan and Wall Street Journal reporter Evan Gershkovich. Gershkovich, a 31-year-old U.S. citizen, was detained on March 29 by the FSB while he was on a reporting assignment. He is being held on a charge of espionage, which Gershkovich, the Journal and U.S. officials deny.

A top Western official involved in hostage diplomacy with Russia said Putin was interested in trading only for Krasikov. Putin has sought the return of agents arrested during other clandestine operations abroad. In 2004, he thanked the Emir of Qatar for returning two men convicted there of planting a car bomb that killed a fugitive Chechen rebel leader. Russia denied responsibility for the killing.

Officials in several countries said a multilateral deal to swap Russian detainees in Western countries for Western citizens held in Russia, as well as imprisoned dissidents such as Alexei Navalny, was possible.

President Biden said in July that he was serious about pursuing a prisoner exchange for Gershkovich with the Kremlin but gave no details. Deputy Foreign Minister Sergei Ryabkov said in April that Russia would contemplate a swap only after a verdict in the Gershkovich case. Berlin hasn't said whether it would consider exchanging Krasikov. Such a swap could face obstacles in Germany, where government lawyers issued a legal opinion last year that said a convicted murderer can't be traded.

Any talks involving Krasikov would be sensitive and unpredictable, said Western officials, given the seriousness of his crime. The German court ruled that the Russian state had commissioned the murder, which was carried out at midday in a park near the office of the German chancellor.

With Khangoshvili lying dead near the children's playground, the assassin hopped on his bike and pedaled away. He stopped at the nearby Spree river, changed out of his clothes and peeled off a wig, revealing a bald head. He hurled his disguise, bicycle, pistol and silencer into the water. Then, he shaved off part of his beard with an electric razor.

Two passersby watched him and called the police. Minutes later, Krasikov was arrested as he tried to mount an electric scooter. Police retrieved the tossed items, which carried his fingerprints and DNA evidence.

German prosecutors had their man, but for two years they couldn't prove who he was.

Krasikov, now 58 years old, told authorities his name was Vadim Sokolov, a tourist with no connection to the Russian government. He had a Russian passport identifying him as Sokolov. He told interrogators that he was in Berlin to visit his lover, a married woman. The Russian embassy in Berlin said he was Vadim Sokolov, not Vadim Krasikov.

When his murder trial opened in October 2020, Krasikov stuck to his story. With the help of police in Kyiv and the investigative platform Bellingcat, German prosecutors eventually confirmed his identity as a veteran of Russian covert operations. Prosecutors said Krasikov was likely working with the secretive Vympel department of the FSB, renamed V, which specializes in clandestine operations abroad.

Krasikov denied both killing Khangoshvili and working for Russian security services. Asked by a judge if he had anything to tell the court before his conviction, he said, "No, thank you." A German court found him guilty of murder in December 2021, describing the fatal shooting as an act of state terrorism. He was sentenced to life in prison.

Russia's Foreign Ministry said the guilty verdict was politically motivated and the allegation that Moscow was behind the killing was concocted by Western intelligence services. "We insist that our citizen is innocent," the foreign ministry said in a statement after the verdict. The ministry also said at the time that the convicted man was Sokolov, not Krasikov.

Russia's embassy to Berlin declined to comment for this article and referred to the statement by the foreign ministry, which didn't respond to a request to comment.

This account of the case is based on court files and interviews with acquaintances and relatives of Krasikov, as well as European and U.S. officials and people familiar with the murder investigation.

Porsches, BMWs

Krasikov was born in the village of Kenestobe, in a region of Kazakhstan known for cattle farming and lead mining. He served in the Soviet army during its war in Afghanistan. He later joined elite military units in Russia's Interior Ministry and the FSB, the country's main domestic intelligence agency, according to his brother-in-law, who testified for the prosecution at the trial.

Krasikov was married twice, the second time to Kateryna Krasikova, a woman from Kharkiv, a city in northeastern Ukraine. He told his wife's family that he worked for Russian security services but gave few specifics, the brother-in-law, Aleksandr Vodorez, said in an interview.

Photographs from Krasikov's July 2010 wedding in Moscow that were in court files show FSB officers among the guests on the bank of the Moskva River. He and his second wife lived in an upscale Moscow apartment, and his wife told her family that he earned about $10,000 a month, plus bonuses for what he called business trips, which sometimes lasted weeks, Vodorez said.

A German court ruled that the Russian state commissioned the murder.

Krasikov often wore designer clothes and took vacations on the Mediterranean, Vodorez said. Krasikov's wife complained to relatives that he traded his luxury cars so frequently—Porsches and BMWs—that she never had enough time to get used to them, Vodorez said.

Krasikov, who compulsively washed his hands, once bragged about meeting Putin at an elite military training facility, Vodorez said. Putin, Krasikov told him, "shoots well," he recalled.

German prosecutors obtained surveillance-camera footage from 2013 that showed a man they identified as Krasikov killing a Russian businessman, an attack that mirrored Khangoshvili's slaying. The video shows Albert Nazranov, the owner of businesses in the Caucasian Republic of Kabardino-Balkaria, walking and then running in Moscow from a man approaching him on a bicycle. Nazranov collapses after being shot in the back and head.

Shortly after the killing, Russian police issued an Interpol arrest warrant for Vadim Krasikov, which was later retracted. German prosecutors suspected that local police sought help arresting Krasikov but reversed course after learning of his connections to Russian security services.

Krasikov's in-laws in Kharkiv held a significant clue for German prosecutors in the Khangoshvili case—a photo of a tattooed Krasikov taken during a beach holiday. Forensics experts used the tattoos in the photo, a panther skull encircled by wings, the emblem of the Russian Interior Ministry's special forces, on his left shoulder and a coiled snake on his forearm, to match the tattoos on Krasikov.

Krasikov's wife and child moved to Russian-held Crimea after his 2019 arrest and now live under the watch of the FSB, according to people close to the family.

Helping hands

Before traveling to Berlin, Krasikov applied for a tourist visa from the French consulate in St. Petersburg. He used a Russian passport issued a month earlier in the name of Vadim Sokolov. On Aug. 17, he flew from Moscow to Paris.

Krasikov booked a sightseeing tour and took selfies by the Eiffel Tower and other landmarks. He flew to Warsaw on Aug. 20, and checked into the Warsaw Novotel hotel. Krasikov took a tour with a Russian-speaking guide and snapped more travel selfies, including one at the Wilanów palace and museum, a baroque castle on the outskirts of Warsaw.

Hotel staff described him to German investigators as a polite, elegantly dressed man with a groomed beard. Krasikov asked a receptionist to book him a manicure at a nearby beauty salon. He later told the receptionist he was happy with the manicure and gave her a generous tip.

On Aug. 22, he left for Berlin, leaving his luggage and mobile phone in his Warsaw hotel room, which he had booked through Aug. 25, the day he planned to fly back to Moscow, according to court files.

In Berlin, he met with people who provided him with new clothes, a black mountain bike and details about Khangoshvili's daily routine, German investigators said. He also received a Glock 26 9mm pistol, along with a silencer and a reserve magazine. His helpers parked an electric scooter on the bank of the Spree river for his escape.

Khangoshvili, the Chechen insurgent and a Georgian national, fled Georgia for Germany in 2016. He applied for asylum to escape what he claimed were repeated attempts on his life by Russian operatives. Germany rejected his asylum request but, like other refugees, he remained in the country.

He had been in Moscow's crosshairs since 2004 for allegedly commanding a raid by Chechen fighters, who took over much of the city of Nazran and killed top security officials, including FSB officers. Khangoshvili was on a Russian list of 19 wanted terrorists that Moscow shared with other nations, including Germany, in 2012.

Russia complained the West didn't take its extradition requests seriously. Moscow turned to killing suspects abroad, a practice Putin made legal in 2006. By 2019, five of the 19 people on the terrorist list had either been killed or had died by suicide, including Khangoshvili.

At around 11:30 a.m. on Aug. 23, 2019, Krasikov watched the entrance of the apartment where Khangoshvili lived, on the third floor of a 19th century Wilheminian-style building with an ornamental facade lined with red bricks. Every day around noon, Khangoshvili, a practicing Muslim, would go to a nearby mosque and walk through the park.

Krasikov waited. He wore a black, longhair wig and a baseball cap, Ray-Ban sunglasses, a gray hoodie, neon-green socks and cycling gloves. He carried the loaded pistol, a silencer screwed to its barrel, in a black rucksack.

Khangoshvili left his home at 11:50 a.m., and Krasikov followed on his bike. Krasikov shot him just below the left shoulder blade. The first bullet ripped through his torso and exited through the chest. The attack was seen by dozens of park goers, as well as the customers and staff of two restaurants.

ZURAB KURTSIKIDZE/EPA/SHUTTERSTOCK

Demonstrators in Tbilisi, Georgia, holding photos of Zelimkhan Khangoshvili after his killing in 2019.

Throughout the trial, Krasikov appeared uninterested, at times pulling off the headphones that provided the translation of witnesses testifying against him.

Shortly after his sentencing, authorities moved Krasikov from Berlin to an undisclosed high-security facility in Bavaria. There were fears that Chechen inmates in Krasikov's former prison would try to kill him.

In his compound by the Danube River, Krasikov has the comforts afforded prisoners under German law, including daily walks in the garden and books in his own language. He has been reading Soviet-era novels glorifying the exploits of a Kremlin secret agent.

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WORK & LIFE
RACHEL FEINTZEIG

Why Giving 85% of Yourself Gets a Ringing Endorsement

Coaches and corporate leaders say pulling back a bit can help maximize productivity on the job

ILLUSTRATION BY DANIEL JURMAN FOR THE WALL STREET JOURNAL

Are you giving it your all? Maybe that's too much.

So many of us were raised in the gospel of hard work and max effort, taught that what we put in was what we got out. Now, some coaches and corporate leaders have a new message. To be at your best, dial it back a bit.

Trying to run at top speed will actually lead to slower running times, they say, citing fitness research. Lifting heavy weights until you absolutely can't anymore won't spark more muscle gain than stopping a little sooner, one exercise physiologist assured me.

The trick—be it in exercise, or anything—is to try for 85%. Aiming for perfection often makes us feel awful, burns us out and backfires. Instead, count the fact that you hit eight out of 10 of your targets this quarter as a win. We don't need to see our work, health or hobbies as binary objectives, perfected or a total failure.

"I already messed it up," Sherri Phillips would lament after missing one of her daily personal goals.

Last year, the chief operating officer of a Manhattan photography business began tracking metrics like her sleep quality and cardio time on an elaborate spreadsheet. It was only after she switched to aiming for 85% success over the course of a week that she stuck with her efforts, instead of giving up when she missed a mark. "It's a spectrum of success," she says.

Benefits of doing less

Once upon a time, bosses who preached total optimization might actually achieve it, says Greg McKeown, a business author and podcaster who's written about why 85% is a sweet spot.

More recently, the available comparison points and choices in our lives have exploded. We read about someone else's dream job on LinkedIn, watch a mom prepare a perfect lunch for her kid on TikTok, then click over to scroll through thousands of products on Amazon. Constant comparison often means no end result ever feels good enough. Even searching for, say, the best umbrella to buy can become a time-sucking quest.

"We will drain ourselves," McKeown says. "It's a bad strategy. It costs too much."

Test out doing a little less. If you turn in that project without the extra slide deck, "Does anybody care?" McKeown asks. If you make a decision with only 85% of the information in hand, what's the result? Notice the time you get back for other things.

"There's a lot of inconsequential stuff that goes into going 100%," says Steve Magness, an exercise physiologist who coaches executives and athletes on performance. When we care too much, even minutiae starts to seem "like an existential crisis," he adds.

Sometimes, the harder we try, the worse we get, injuring ourselves or choking under pressure, Magness says. Quit while you're ahead, and the sense that your whole self-worth isn't wrapped up in this one moment can actually make you more likely to nail it.

Relaxed confidence

The effortless success so many of us crave often comes from a relaxed confidence and a tolerance for ambiguity.

When economist Krishnamurthy V. Subramanian gave one of his first major addresses to the media as chief economic adviser for the Indian government, he prepared, but tried not to overthink it.

"It's that Goldilocks balance," says Subramanian, now an executive director at the International Monetary Fund based in Washington, D.C. "85% is not slacking."

When two of his slides wouldn't cue up at the last minute, he pushed away his nerves and reminded himself the speech would be OK even if it wasn't perfect. "I'll wing it," he told himself calmly. The presentation went just fine.

Just tough enough

Dialing in on the sweet spot of 85% can help us grow. In a 2019 paper, researchers used machine learning to try to find the ideal difficulty level to learn new things. The neural network they created, meant to mimic the human brain, learned best when it was faced with queries set to 85% difficulty, meaning it got questions right 85% of the time.

If a task is too hard, humans get demotivated, says Bob Wilson, an author of the study and associate professor of psychology and cognitive science at the University of Arizona. "If you never make any errors, you're 100% accurate, well, you can't learn from the mistakes."

Ron Shaich, a founder and former chief executive of restaurant chain Panera, is skeptical of people who hit 100% on bonus targets or sales projections. He wonders if the goals are too low. They should be ambitious enough that you won't always get there, he says.

Presiding over Panera's quarterly earnings reports, he'd aim to exceed guidance eight out of 10 times. The same went for big goals at the company.

Now an investor, board member and author of a coming business book that stresses 80% equals success, Shaich is convinced most companies don't even hit that number.

"They all talk about what they're going to get done. Then they don't do it," he says. Reach 80% and, "you're doing great."

Know when to stop

Years ago, as a consultant at Bain, Grace Ueng learned the "80-20 rule." The idea was to stop once you were 80% complete on a project, she says. That first burst of work often contained the real meat of the project.

Now a leadership coach and strategy consultant, Ueng recently took up piano. She practiced for hours and grimaced when she performed for her music group. Then she started doing more targeted exercises, like tackling small chunks of a piece instead of running through the whole thing again and again. Before a recent performance, she read a book and went to church instead of putting in extra hours at the piano. When it was time to perform, she played well—and actually enjoyed it.

"You have to have the wisdom," she says, "to know when to stop."

Modern Women Embrace the 1950s

OFF BRAND
RORY SATRAN

Look closely among the droves of people in Lululemon leggings and Crocs next time you're at the grocery store or the airport, and you might notice a curious sight: a woman dressed like a 1950s housewife. With her curled hair, full-skirted dress and high-heeled Mary-Jane shoes, she could be straight out of "I Love Lucy" or "Leave It to Beaver." She might even be wearing an anachronistic frilly petticoat or apron. Wasn't this a style that was left firmly in the past?

Apparently not. A new generation of women is discovering the midcentury look, albeit for wildly varying reasons. Perhaps most divisively, there's the "trad wife" movement, an online community of traditional women whose retro fashion reflects their religious, conservative and even sometimes far-right values. Then there are women who profess "vintage style, not vintage values," combining hourglass silhouettes with a progressive worldview. And then there are those women and designers who just happen to appreciate the bygone charm of a swirly skirt.

Lisa Pontius, a 35-year-old Charleston, S.C., homemaker, wears bright-red lipstick, wasp-waisted dresses and the occasional apron.

The retro housewife look is also bleeding into high-end runway fashion.

"Looking at me, you're going to probably assume a lot of things, but you probably would be extremely wrong," she said. She's not a trad wife; she just likes the way the clothes and makeup look.

"There is a little bit of an element of cosplay that I enjoy," Pontius said. "Being able to put on an apron and cook for your husband and play little Susie Homemaker sometimes is really fun."

For Pontius, it's possible to romanticize the elegance of the 1950s without subscribing to its entrenched gender roles. She calls herself an "ardent feminist and progressive."

Paula Sutton, 54, the Norfolk, England, creator of the retro homemaker-chic lifestyle platform and brand Hill House Vintage, also cautions against taking the time period too literally. "I wouldn't have done very well in the 1950s as a Black woman," she said. "I certainly don't want to go back to those times. However, the aesthetic is appealing to me."

As the $1 billion-plus "Barbie" movie continues to attract huge audiences this summer, the question of how femininity fits into feminism is top of mind. The Greta Gerwig-directed blockbuster embraces the complicated stew of fashion, beauty ideals and gender equality that we find ourselves in over 60 years after Barbie's debut in 1959. Many of the dolled-up women I spoke to referenced the new "Barbie" when explaining their approaches to style.

The contemporary interpretations of 1950s fashion run the gamut from a sprinkle of yesteryear—winged eyeliner, a Grace Kelly headscarf, cat-eye sunglasses—to full-on June Cleaver dress-up. Fans of the look share makeup tutorials and life philosophies on TikTok. On Pinterest, the tag "Stepford wife" includes images of Nicole Kidman in the spooky 2004 remake alongside black-and-white photos of women vacuuming. On Etsy, vintage hounds source period pieces, as well as replicas.

The 1950s housewife look is also bleeding into high-end runway fashion. Prada has long made ladylike pieces like full skirts, capri pants and fitted sweaters cornerstones of its line, and Dior's fall 2023 collection played up the house's heritage of hourglass shapes.

Batsheva Hay, the founder of New York line Batsheva, has built a brand identity around a certain subversive sense of housewife style, inspired by her mother and her husband's grandmother, and artists like Cindy Sherman. Her playful housedresses became her "entire business" during the pandemic, because, she said, "we all essentially became housewives during that time."

Some 1950s fans are aping the time period even more fully by making their clothing from vintage patterns. Chloe Downing, 20, who lives near Youngstown, Ohio, taught herself to sew and since then has been making her own 1940s and '50s pieces. Downing, an occasional dog groomer and aspiring homemaker, is inspired by films like "Cover Girl" with Rita Hayworth and "How to Marry a Millionaire" with Marilyn Monroe. She said it was "rude to assume" anything about her values based on how she dresses.

Downing likes to wear pieces including "anything that nips in the waist," wiggle dresses, pillbox hats, Audrey Hepburn-style boat necks and shelf-bust dresses. She makes her own old-fashioned bullet bras by folding bra pad inserts.

Downing admits that her clothing style isn't as comfortable as the sweatpants she changes into at the end of a long day. Especially, she said, "if you wear period-correct undergarments, if you're corseted, if you're wearing bullet bras or garters. That gets stiffer."

Estee Williams is a Richmond, Va., homemaker who fully embraces the trad-wife label and uses fashion as an unambivalent, unironic expression of her conservative values. Williams shares videos to her popular TikTok account with tips on cooking for your husband and making potpourri.

She swears by thrifting, looking for feminine dresses, aprons and petticoats, and is also beginning to make her own clothes. Williams, whose husband is an electrician, explained, "We're not living bougie, like the Beverly Hills Housewives. We're living very humbly." She has splurged on two Marilyn Monroe replica dresses purchased online.

Sometimes these women find themselves confronted with reality in unpleasant ways. Downing recently popped by a Walmart in a full-on 1940s look including a bolero made from an antique velvet tablecloth, and chafed at the attention.

Pontius, the progressive Charleston homemaker, has been thinking along the lines of the "Barbie" movie, which wholeheartedly embraces contradiction.

"Why can't I have a career and still wear pink sundresses? Why can't I be a feminist and still want to stay home with my children?" she said. "Why is there no more room to be more than just one thing?"

PAULA SUTTON

▲ Paula Sutton says she likes to find ways to make her 1950s style 'cheeky.'

Laxative Usage Spurs Shortage

Surging demand from an aging population, extra interest from younger consumers clear shelves

By Rachel Wolfe

Americans have developed a laxative habit.

Surging demand is contributing to a shortage of polyethylene glycol 3350, the generic name for laxatives like Miralax and Glycolax, gastroenterologists and suppliers say. Consumers are noticing emptier shelves in drugstores as a result.

Gastrological and behavioral experts point to an aging population and that most Americans don't consume enough fiber, which can lead to constipation.

They also cite the lingering effects of the pandemic as a culprit behind consumers' growing reliance on the products. People ate worse, exercised less and experienced more anxiety during quarantine, doctors say, all of which are major causes of bowel dysfunction.

Now, a surge in travel and hybrid work schedules are disrupting routines and mealtimes, likely leading to irregularity. Though certain laxatives and supplements are safe to take regularly, health providers say growing overuse concerns them.

"It's crazy to think that our collective bowel dysfunction problems have gotten so bad that we're literally running out of stool softeners," says Dr. George Pavlou, who runs Gastroenterology Associates of New Jersey.

Some people are treating laxatives like a budget Ozempic to feel skinnier, psychologists say. And social media, including TikTok's popular #GutTok, spreads misinformation around what healthy bathroom behavior looks like, doctors say.

Searches for laxative pills on Amazon have more than tripled in the past year, according to analytics company Pattern. Manufacturers of fiber supplements Metamucil and Benefiber, meanwhile, report double-digit sales growth in recent years. Bayer, which owns Miralax, declined to comment.

Dow Chemical is building new factories in part to boost production of polyethylene glycol—the medication that's been in short supply since the pandemic—employees say. The product also has nonmedical applications.

More young buyers

Older people exercise and move less, and are more likely to take medication that causes constipation, gastroenterologists say. Doctors commonly advise them to take fiber supplements or laxatives. (A fiber supplement is a bulking agent that helps to form stools that are easier to pass. Laxatives draw in water or physically stimulate the colon to contract.)

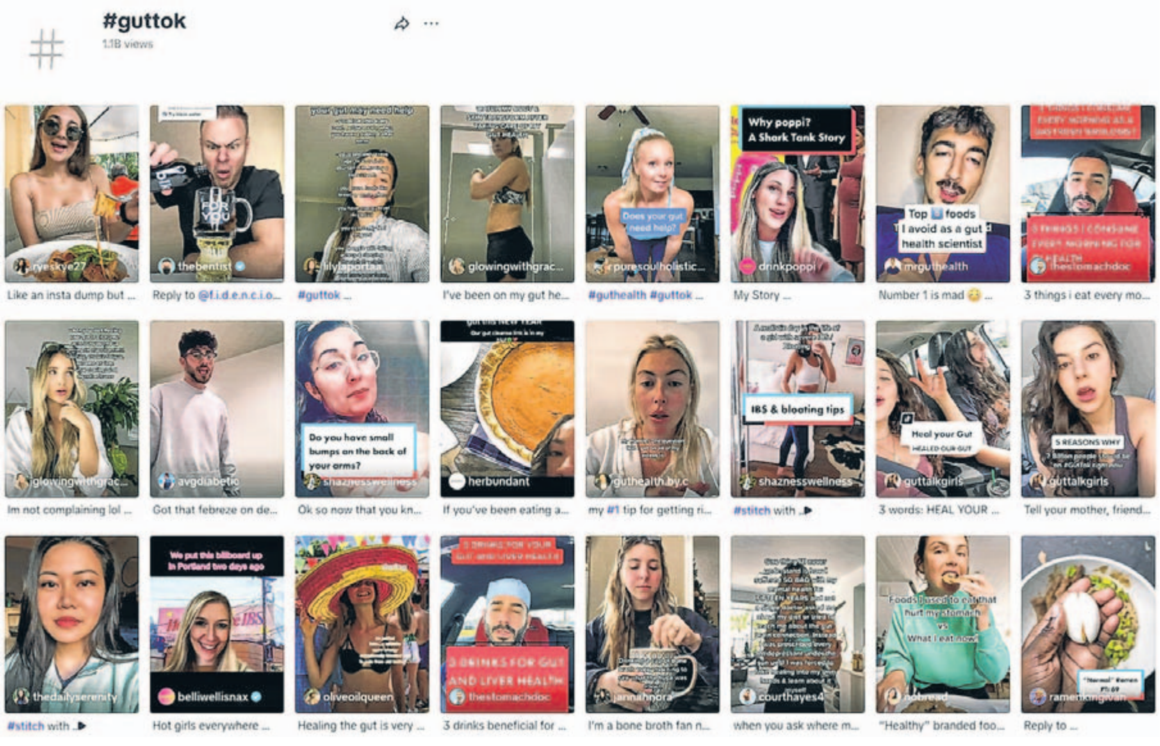
More surprising, suppliers say, are the numbers of younger customers now relying on the products. Benefiber manufacturer Haleon reports that 18- to 42-year-olds are buying the fiber supplement faster than ever.

"The demand has changed," says Jissan Cherian, who oversees marketing for the brand and notes that its messaging hasn't shifted. He attributes the shift to the focus on wellness and to a growing awareness of the connection between gut bacteria and depression.

Haleon started selling a gummy version of the product, which traditionally comes in powder form, this year to appeal to young adults.

Sophie Spiers, a 30-year-old fashion copywriter in Los Angeles, dissolves a serving of Miralax into a glass of water every morning. She says her perception of the behavior has changed as the topic becomes less taboo.

On a recent trip to Las Vegas for a Beyoncé concert, Spiers and her friends casually discussed their constipation. "One of our friends was like, 'Can we not talk about this over lunch?' But the rest of us were being pretty open about it," Spiers says, adding she offered her Miralax to everyone.



▲ **TikTok's #GutTok hashtag has amassed 1.1 billion views of health-related videos.**

Carly Goldberg Black, 28, an advertising professional in Washington, D.C., has been surprised by the number of people around her age complaining of problems going to the bathroom.

Because she's long been open about her laxative use, Black says friends call her all the time for advice when they're backed up. "I'm like the Miralax speed-dial consultant," she said.

She says she worries about the recent shortages she's noticed in her local drugstores. "I'm a brand loyalist, but I've found myself reaching for the Wal-lax or CVS-lax, because they're selling out," Black says of the name-brand shortages.

Unneeded purchases

As people struggle with real bowel dysfunction, they are also confused about healthy bathroom habits, doctors say. This makes them more likely to rely too much on supplements and laxatives.

Mayo Clinic gastroenterology professor Dr. Brian Lacy says many people think they need to have a bowel movement every day. "That's a misconception," he says, explaining that the healthy range is between three a day and three a week.

He always recommends his patients start by upping their intake of fresh fruits, vegetables and whole grains before turning to fiber powders and gummies.

Lacy sees increased laxative use as part of a growing reliance on quick fixes over long-term behavioral change.

Eating-disorder specialist Dr. Jenna DiLossi says she's seen a sharp rise in teenage patients abusing laxatives over the past two years. Some view laxatives as a budget, over-the-counter Ozempic, she says, despite the fact that the products don't help with weight loss.

Overuse can also lead to chronic dehydration and loss of electrolytes. In some cases, users can no longer have bowel movements without taking them.

Before the pandemic, DiLossi says new clients rarely responded "yes" to laxative use in intake surveys. Now, the Ardmore, Pa., clinical psychologist says at least three of the five or so new teens she sees a week admit to having tried a laxative for weight loss.

"When people have an excessive bowel movement and they feel completely empty inside, that gets wrapped up in thinness and health," DiLossi says.

Teens tell her they get the idea from TikTok, where videos with the #GutTok hashtag have amassed 1.1 billion views. Even the videos that don't directly promote stool softeners for weight loss support the notion that going to the bathroom more is better, she says.

Spiers, the fashion copywriter, is familiar with the appeal of feeling "light" after taking a laxative. She says she's learned to differentiate healthy from unhealthy reliance, now only taking the medication under the direction of a doctor to treat constipation. But she empathizes with those who struggle with overuse.

"I had periods in my early 20s where I really struggled with disordered eating, and it became tied to a mental thing of having to take my Miralax or I'm going to feel fat today," she says.

FROM TOP: F. MARTIN RAMIN/THE WALL STREET JOURNAL; WSJ

Our Reporter Tried to Live A Perfect Day. Here's What She Learned.

By Alex Janin

When people learn that I'm a personal-health reporter, the first question is usually some version of: "Do you have the healthiest life ever?"

It's a fair question. I spend hours each day talking with the world's health experts. I've adopted some of their advice, but there's also plenty I've ignored. Many of us face the same challenges. Even when we want to embrace healthy habits, life gets in our way.

Is it possible to live a perfectly healthy day? I decided to put myself to the test for you. I hoped that my own successes and failures would help you figure out what the biggest pitfalls might be in your own life. I planned a 24-hour schedule that would incorporate the main advice on sleeping, eating, exercise and mental well-being.

Here's what happened.

A healthy day starts the day before. I learned this the hard way on Sunday afternoon when I realized the groceries in my fridge wouldn't cut it for the meal preparation I was planning for Monday.

The goal was to follow the U.S. Agriculture and Health and Human Services departments' latest dietary guidelines using MyPlate, which replaced the food pyramid in 2011. I input my age, sex, height, weight and physical-activity level to create a customized MyPlate plan.

My grocery-store haul included two salmon filets, plenty of fresh veggies, whole-grain tortillas and walnuts.

I was tired enough that getting in bed by 10 p.m. didn't require much effort, but the goal of avoiding electronics in bed went out the window when my family FaceTime call came through.

Later, I turned off the lights to savor a happy memory, which, as my colleague Elizabeth Bernstein has reported, psychologists believe can help us fall asleep and improve sleep quality. I thought back to a spring lunch with my grandmother in Santa Barbara. Then I was asleep.

On Monday, my 6:30 a.m. alarm went off and I actually felt rested. I had apparently slept for seven hours and 59 minutes, well within health organizations' and sleep experts' seven-to-nine-hour guidelines.

I had a pre-work wellness schedule planned: a half-hour walk followed by strength training, a nutritious breakfast and 10 minutes of journaling, all before I headed out the door on my commute to the office. Technically, I checked all the boxes, but found it hard to focus on any of them. Sometimes, even doing the "right" thing for your health won't yield the desired results.

◀ **Alex Janin took a selfie before her half-hour morning walk one recent Monday.**

Sometimes, even doing the 'right' thing for your health won't yield desired results.

I arrived at the office just past 9 a.m. After unpacking my lunch and snacks, I returned to my desk to find a box of chocolate chip cookies in our seating area.

I had planned to say no to sweets. Picking one or two specific rules around nutrition is one science-backed strategy to make healthier decisions around food, my colleague Andrea Petersen has reported.

I managed to resist the cookies and settled into my busy workday. At 10 a.m., it was time for the first of four scheduled two-minute breathing exercises to help cope with stress, but about 30 seconds in, a story of mine was published—a distraction that proved too great to continue.

At 11 a.m., the recommended cutoff time for caffeine if I wanted to be asleep by 11 p.m., I still had half a canister of home-brewed coffee left. After glancing at my packed calendar, I succumbed to caffeination.

I was heads-down in research for coming stories, as well as addressing final editing questions on another for hours—causing me to skip over my planned 12:30 p.m. lunchtime. I was hungry, though, so I scarfed down a snack-size bag of cheddar popcorn.

At 1:56 p.m., I found myself wondering about the last time I'd gone to the bathroom. My scheduled 2 p.m. and 4 p.m. breathing-exercise breaks never happened.

By the evening, I was pretty drained. I was tempted to cancel dinner plans with a friend. However, research has pointed to the importance of strong relationships to our mental well-being and happiness. My date was with one of the friends I've missed most this summer.

It was a fulfilling engagement, but she had offered to make dinner, and salmon was on the menu. After two meals featuring the fish, I couldn't stomach the idea of having it again.

By the time I got home, it was nearly 9 p.m. and I grabbed a questionably aged frozen cheese enchilada. I missed the window after which I should have been dimming the lights and reducing electronic use. By 10 p.m., I figured I had already ruined my schedule, so I scrolled social media and watched "The Real Housewives" until nearly 11:30.

This was the hardest part of my experiment: attempting to regain control and make good health decisions after the bad ones had snowballed. I imagined readers asking: How could a health reporter ignore basic health tenets? But nearly every health expert I've interviewed has said people shouldn't beat themselves up for missing the mark.

In the following weeks, I carried several lessons with me, including scrolling less and reading more before bed. I've even had a few lunch breaks away from my desk.

I take comfort in what I did well in my experiment: healthy meal-prepping, morning exercise and making time for friends. And I realized that even though it's important to take steps to improve our health, it's OK when plans don't go perfectly.

ALEX JANIN

LOOK BEYOND

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ARTS IN REVIEW

'Standard Station, Ten-Cent Western Being Torn in Half' (1964)

ART REVIEW

Ed Ruscha: Iconic Meets Ironic

An exhibition revisits the artist's decades of bold, clever creation

By Peter Plagens

New York

In 1961, while biding his time in the giant Governor Clinton Hotel in New York awaiting departure on a trip to Europe with his mother and younger brother Paul, 23-year-old Ed Ruscha made a sketch on hotel stationery for a painting of the 20th Century Fox trademark. That eventual picture and his even more iconic paintings, in similar sweeping left-to-right diminishment, of Standard Oil gas stations led to him being labeled as sunny Los Angeles's Pop Art answer to grimy New York's Andy Warhol. Both were commercial artists early on—although Mr. Ruscha's pedestrian stints amounted to much less than Warhol's early career as a successful illustrator. And both traded in sophisticated irony—although Mr. Ruscha's has never embraced Warhol's gritty anti-craft attitude or leached into his entire persona. Just about everything that Mr. Ruscha has ever put his hand to is—radically and conventionally at the same time—simply very good-looking.

"Ed Ruscha / Now Then," at the Museum of Modern Art in New York (curated by Christophe Cherix, Ana Torok and Kiko Aebi), is testimony to all that and more. With over 200 works (mostly elegantly crafted paintings, drawings and prints, but also artist's books, and some films and installations), the exhibition is a slightly pastel encyclopedia of an artist whose calling card is a friendly subversion that has always been—this is L.A., remember—more right now than back then.

Mr. Ruscha was born in Omaha in 1937, but moved with his family to Oklahoma four years later. In 1956 he drove to Los Angeles with fellow Oklahoman Mason Williams (who'd become the guitarist of "Classical Gas" fame) and enrolled in commercial art classes at the Chouinard Art Institute (later the California Institute of the Arts). To support himself, he found work as a "printer's devil" at a company still doing hot-metal typesetting, and "personalizing" items at a mail-order gift business. (This early experience shows up continuously, and rather directly, in almost all of the work in this retrospective.) Eventually, Artforum magazine hired him to do its layouts, but Mr. Ruscha—by then an artist of rising repute—insisted on being billed on the masthead under the pseudonym of "Eddie Russia."

In fact, Mr. Ruscha had already been included (alongside Warhol and Roy Lichtenstein) in the Pasadena Art Museum's "New Painting of Common Objects" in 1962, and had enjoyed his first solo show, at the bellwether Ferus Gallery on La Cienega Blvd. in May 1963. The exhibition contained a "Trademark With Eight Spotlights," and one of his early single-word paintings with a crisp, glaring yellow "OOF" on a Prussian blue background. At the same time, Mr. Ruscha began making and publishing examples of his "artist's books." The first, "Twentysix Gasoline Stations," contained minimally captioned, deliberately unartful black-and-white photographs (Mr. Ruscha called the style "real estate dumb") of, well, gasoline stations. Later publications included the aptly named "Every Building on the Sunset Strip" and the collection of vacant-lot photos "Real Estate Opportunities."

Mr. Ruscha's dizzyingly productive career as an artist did not, of course, conclude with such books, and he's been producing remarkable work—some of it on a giant scale—since then. At the 1970 Venice Biennale, a Vietnam-era exhibition boycotted by many American artists because the United States Pavilion was underwritten by the U.S. Information Agency, Mr. Ruscha agreed to participate because of his friendship with Henry Hopkins, an old friend in charge of the Pavilion. His contribution—re-created in this MoMA exhibition—was the "Chocolate Room," a gallery whose walls were entirely covered with sheets of paper silkscreened with chocolate syrup. (In this re-creation, at least, the olfactory effect is almost nil.) On a more prosaic scale, the artist's 1969 portfolio of serigraph prints entitled "Stains" includes sheets containing small samples of beer, egg yolk, salad dressing, the artist's blood, and semen.

Nevertheless, Mr. Ruscha's forte remains painting. MoMA doesn't know whether he does all the handiwork on canvas (a good many successful contemporary artists employ assistants), but it probably doesn't matter. His later word paintings—such as "Friction and Wear" (1983) and "Pay Nothing Until April" (2003), with white words on postcard-ish backgrounds—are visually delicious and bits of fun in the bargain. Mr. Ruscha, with his sharply clever paintings and books, is a kind of taciturn Gilbert & Sullivan. This huge light opera of an exhibition approaches its end with two 28-foot-wide paintings of collapsed red, green and blue banners with yellow trim (the second depicting a partially collapsed pennant) called "Azteca / Azteca in Decline" (2007). If anything is in decline, it's certainly not Mr. Ruscha's still defiantly adolescent artistic temperament. It's as if he's just gotten out of the car after a 1950s drive from Oklahoma and is looking around to see what's special enough to paint.

Ed Ruscha / Now Then
Museum of Modern Art, through Jan. 13, 2024

Mr. Plagens is an artist and writer in Connecticut.

'Large Trademark With Eight Spotlights' (1962), among over 200 works in the exhibition, below

'Our Flag' (2017), left, and 'Actual Size' (1962), right

MUSEUM OF MODERN ART (4)

CULTURAL COMMENTARY

Unesco, Expel Russia From Membership

By Konstantin Akinsha

On Sunday, Unesco's World Heritage Committee began a two-week session in Riyadh, Saudi Arabia, devoted to reviewing the state of conservation of 260 sites on the agency's "World Heritage List," 55 of which are also on its "World Heritage in Danger" list.

In the latter group is the historic center of Odesa, Ukraine, which was listed in January after having been the target of Russian missile attacks last year. Explaining the decision, Audrey Azoulay, the organization's director-general, wrote: "Odesa, a free city, a world city, a legendary port that has left its mark on cinema, literature and the arts, is thus placed under the reinforced protection of the international community. While the war continues, this inscription embodies our collective determination to ensure that this city, which has always surmounted global upheavals, is preserved from further destruction."

Ukrainians applauded Unesco's decision, hoping that this "reinforced protection" would spare the historic center. They were mistaken. When the city was bombed again in July, it was the target.

Russia, a Unesco member, has a delegation in Riyadh because it is on the World Heritage Committee. This is a travesty. For its deliberate targeting of Ukraine's cultural heritage, Russia needs to be expelled from Unesco.

The first attack on Odesa's historic center occurred on July 20, when Russian missiles damaged the Archaeological Museum and the Literature Museum, a 19th-century neoclassical palace that houses a rich collection of manuscripts and documents connected to the literary life of the city. This was followed on July 23 by the most ruinous bombardment of the city center so far.

Odesa's main Russian Orthodox church, the Transfiguration Cathedral, was damaged beyond repair. Destroyed by the city's Soviet rulers in 1936, in 2011 it was rebuilt as it had been. A video made by the first rescue workers who entered the burning building went viral on Ukrainian Telegram channels. One who filmed the flames devouring the interior can be heard repeating in shock, "My God, there is no cathedral anymore."

The organization must take decisive action at its session this month.

The cathedral attack was widely covered by the international media, but it was not the only landmark struck that night. At least 25 historic buildings were hit. The most stunning example is the House of Scientists, which was heavily damaged. The former palace of Count Mikhail Tolstoy and erected in the 1830s, it still contained the original stucco ceiling ornaments, wood paneling, mosaic parquet, and some original furniture. Thus it had the unforgettable aura of Odesa's 19th-century palaces, remaining a unique witness of that time.

Others included such architectural monuments as the stately early 19th-century palace of Count Potocki, the oldest in the city and home to the National Art Museum; the neo-classical Maritime Museum; the Manuk Bey mansion, where in 1848 Nikolai Gogol lived during his stay in Odesa; the mansion of Baron Arist Mass, constructed in 1849-50; the neoclassical house of Giacomo Porro, the Portuguese consul, constructed in 1883-84; the apartment house of Count Anatoliy Gagarin, erected at the end of the 19th century in a neo-Baroque style; and the ornate apartment house of Merchant Zabludovsky, known as the "Marshmallow House," construction of which was completed in 1919. This martyrology of Odesa architecture could be continued.

Fortunately, as of this writing, some of the most important architectural monuments of Odesa are still intact. I'm thinking of the grand building of the Opera and Ballet Theatre, constructed in 1887 in the style of Viennese neo-baroque, or the monument to the Duke of Richelieu, an important early governor of the city. This stands at the entrance to a semicircular square formed by the facades of buildings erected between 1826 and 1830 and now used for government offices. And it looks out on another architectural wonder, the Potemkin Steps (begun in 1837), a nearly 500-foot ceremonial stairway that forms the formal entrance to the city from the sea and was immortalized in the Sergei Eisenstein film "Battleship Potemkin" (1925).

▲ **The interior of Odesa's Transfiguration Cathedral after Russian attacks in July**

JAE C. HONG/ASSOCIATED PRESS

Unesco included the historic center of Odesa on its World Heritage in Danger list because it is an exceptional open-air architectural museum, "an outstanding 'time capsule' of 19th-century urban planning," as the organization says on its website. But neither that nor international condemnation of the Russian attacks stopped the bombardments. On Aug. 14, Russian missiles and Iranian-made drones targeted the historical center of Odesa again, damaging numerous buildings, including more historical monuments.

Nor is Odesa alone. On the morning of Aug. 3, in the city of Kherson—liberated by Ukrainian forces in November 2022 and since that time under nonstop bombardments—a Russian missile exploded in the Cathedral of St. Catherine, sparking a fire that caused further damage to its interior. Then there is the systematic looting of art museums in Mariupol, Melitopol and Kherson.

This isn't collateral damage. It's the deliberate targeting of Ukraine's cultural heritage to eradicate its identity as a nation. Repeated appeals by Ukrainian officials, and those of other countries starting as far back as February 2022, to suspend Russian membership fell on the deaf ears of Unesco officials.

But with the most recent attacks on the historic center of Odesa, they can no longer continue in this vein. If Unesco hopes to retain any credibility as a custodian of cultural heritage, it must expel Russia. Now.

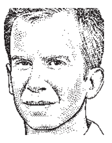
Mr. Akinsha is an art historian who most recently organized the traveling exhibition "Modernism in Ukraine, 1900-1930s."

SPORTS

JASON GAY

Gauff Rises to the Moment

The American tennis star is only 19, but she possesses skill and wisdom beyond her years



Coco Gauff's triumph at the U.S. Open Saturday felt like a thunderbolt of joy—a career breakthrough for a young star who first dazzled tennis as a 15-year-old at Wimbledon before settling into a longer, occasionally challenging journey to her first major tournament win.

At age 19, Gauff is the youngest American winner at the Open since Serena Williams in 1999. She's an appealing modern champ—she unsuccessfully tried to FaceTime her brother from the court just minutes after winning. But her 2-6, 6-3, 6-2 victory over Aryna Sabalenka can be traced to a pair of vigorously old school qualities: defense and composure.

Defensive tennis never gets much appreciation, because it's unglamorous hard work—it's basically running around like a maniac, all the time, mostly lateral, but also north-south, extending rallies, often hitting not your best shots, but the best shots available to stay in a point.

The skills it takes to play defense well—sprinting, sliding, pacing, slice forehands, slice backhands, and most of all, endurance—aren't fun to develop. They're what gets practiced on lonely offseason days, in torturous footwork drills that seem concocted to make you hate the sport. They matter, though: If you can play great defensive tennis, you can stay in matches when an opponent is at a high level, and you're struggling with your own shots.

"How to win when you're [playing] average," is how one of Gauff's coaches, Brad Gilbert, put it to me a couple of hours after Gauff's win. "Even when Gauff couldn't dictate terms or land her own winners, she found a way to get back into matches, and win matches."

Gauff did this brilliantly in the final, since she wasn't able to smother Sabalenka with her own weapons, especially early on. Instead, she played agile tennis, a little bit Novak Djokovic-esque, audibly sliding over the baseline, absorbing her opponent's Bazooka ground strokes and asking her to hit them again, again, again, until one sprayed wide or slapped into the net.

Facing Sabalenka is like walking into an angry saloon in the old Wild West—high-speed shots, flying everywhere—and it's easy for an opponent to get overwhelmed and want to duck under a chair. Sabalenka had her moments, but Gauff never ducked.

The next time you watch Gauff, watch her feet, how quickly she can cover side to side. Watch how low she gets—almost into a full squat, dropping her shoulder to lift the ball over the net and then racing back into position. This is a talent you get by doing the difficult stuff in practice, repeatedly, forever, until it just becomes who you are. It's a reason you look at Gauff and think she's going to be at this a long time, because she already excels at the hard part.

"She was moving really well and defending really great, better than anybody else," Sabalenka said afterward. "I always had to play an extra ball"

Gauff's own weapons will improve. That forehand everyone likes to pick on—it's already better than it was in early summer, thanks in part to some footwork tweaks by another one of her coaches, Pere Riba. Gauff managed to whistle a few forehands past Sabalenka in critical moments, and her two-handed backhand has long been world-class. Match point was a backhand winner down the line, a lovely way to seal a major.

If Gauff adds more offense to all that defense? *Whew*. She'll be even more of a handful.

Two moments at the 2023 Open stand out: Gauff's opening night battle with Laura Siegemund, which lasted close to three hours, during which Gauff had to rally back from a one-set deficit. This was a packed house at Arthur Ashe Stadium, a starry crowd, prime time, and Siegemund was playing slowly, running down the clock on her serve. It was exactly the type of exasperating scenario that might unravel a less composed player—and while Gauff did calmly walk over the chair umpire and note Siegemund's clock management, she kept it together to win a grinding match.

Asked to describe the match in a TV interview, Gauff offered a deadpan zinger: *"Slooooow."*

The second moment that stands out was how Gauff handled the disruption by protesters during her Thursday semifinal against Karolina Muchova. The fossil fuel protest lasted nearly 50 minutes—enough to permanently cool off a hot player for the night—but Gauff brushed it away, picking up where she'd left off when play finally resumed. Later, she revealed no irritation toward the protest or the delay. "It was done in a peaceful way, so I can't get too mad at it," she said.

Again: she's 19. You're not supposed to be this measured and self-aware at 19. Gauff's admitted that she struggled with the early pressures of stardom—her stunning run to the fourth round at Wimbledon in 2019 was followed by heavy expectations, some great moments (a trip to the French Open final in 2022) but also some arid stretches in which she judged her self-worth by wins and losses. Guided by her parents, her close-knit family, and her faith, she would reverse that negativity.

These aren't ordinary ingredients in a young champion. This is why Saturday night felt like both a joyous breakthrough and a beginning. Coco Gauff finally got where she wanted to go in tennis. But look at her tools. She's just getting started.

SARAH STIER/GETTY IMAGES

Coco Gauff celebrates after beating Aryna Sabalenka, 2-6, 6-3, 6-2, to win the U.S. Open women's final.

Novak Djokovic Wins U.S. Open And a 24th Career Major Title

By Joshua Robinson

Novak Djokovic rarely misses an opportunity to remind people that he's 36 years old—that he can't quite recover like he used to, that his body might some day let him down. Even on court, he has to stretch more than he used to, and occasionally pauses to catch his breath. But then, Djokovic finds his groove and gives a different impression entirely.

Even at 36, and a step slower than he used to be, Djokovic has the ability to look inevitable.

That's exactly what happened in Sunday's U.S. Open final, where he grinded his way to a 6-3, 7-6(5), 6-3 victory over world No. 3 Daniil Medvedev. In a match of impossibly high standards between two impeccable technicians, Djokovic bent without ever breaking. He had lost a heartbreaking final to Medvedev on the same court two years ago, which cost him a calendar-year sweep of the majors, and had no intention of letting it happen again.

"I want to ask Novak, 'What are you still doing here?'" Medvedev joked. "I don't know when you are planning to slow down a little bit."

With more than three hours of back-breaking work, Djokovic increased his tally of major titles to 24, tying the all-time record for men or women held by Australia's Margaret Court. He now sits two titles ahead of Rafael Nadal and four in front of the retired Roger Federer in the all-time men's standings. After the match, Djokovic pulled on a "Mamba Forever" shirt and dedicated the title to the memory of Kobe Bryant, who wore No. 24 for the Los Angeles Lakers.

"I never thought that that would be the reality," Djokovic said on court. "But the last couple of years, I felt I had a chance at history. Why not grab it if it's presented?"

Djokovic's late career is turning into one of the most dominant stretches an athlete has ever had in any sport. Sunday marked his 12th Grand Slam title since turning 30, his third of this season, and capped a run that has seen him win seven of the past 10 major tournaments he has entered, dating back to the beginning of 2021.

Still, a new threat to his title-collecting was emerging. Carlos Alcaraz, the 20-year-old prodigy from Spain, burst onto the scene and outdueled Djokovic at Wimbledon this summer. But as it turned out, Djokovic never had to face him in New York. Alcaraz fell in the semifinals to Medvedev, who produced some of the best tennis of his life to beat him. In order to pull it off, Medvedev said, he had played "12 out of 10."

Doing it again for another three, four, or possibly five sets would be the most titanic task in the sport.

The challenge became even more monstrous from a set down: heading into Sunday, Djokovic's record at the U.S. Open after winning the first set was 72-1. He shortened points when he needed to by venturing to the net, and stayed in rallies that seemed to last all afternoon, grinding the Russian down.

But Medvedev, who lost the first set without seeing a single break point, dug in anyway. And the second set turned into a 104-minute demonstration by both men of the best tennis the sport has to offer. That's when Medvedev made his best stand. Pounding groundstrokes into the corners and launching his 6-foot-6 frame around the court, he turned points into lung-bursting rallies that stretched Djokovic's fitness to the limit. Medvedev, nine years Djokovic's junior, caught a glimmer of hope that the old man had finally cracked.

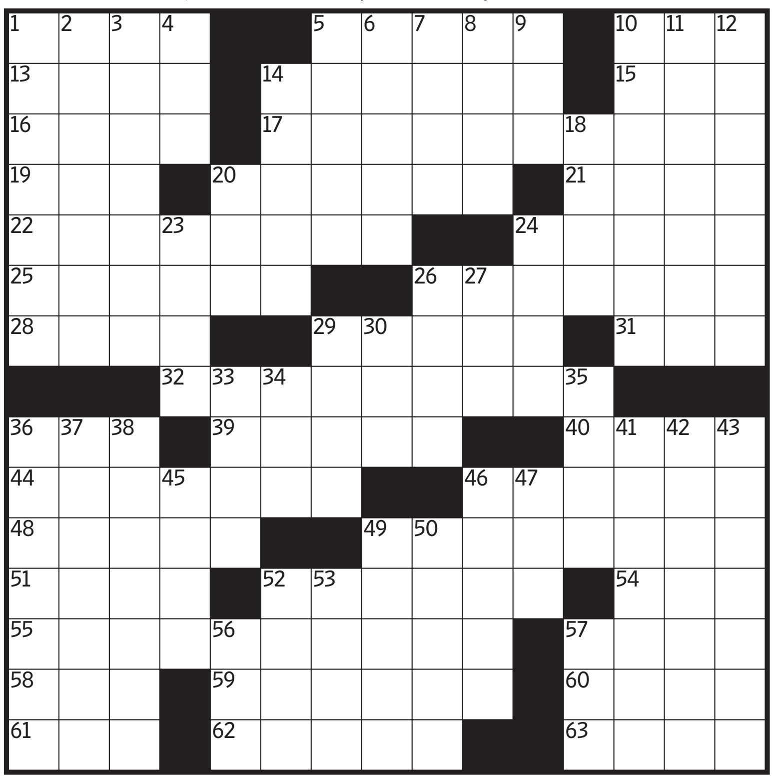
But it was only a glimmer. Despite carving out his first chance to break in the match at 3-4, Medvedev failed to convert. Djokovic dug out a pair of sensational volleys and made it 4-4.

When Djokovic eventually took the second set in a tiebreaker, the crowd erupted to acknowledge they were watching a tennis genius. After two decades of outlasting opponents, Djokovic knew precisely what was required to make history again.

FRANK FRANKLIN II/ASSOCIATED PRESS

Novak Djokovic beat Daniil Medvedev, 6-3, 7-6(5), 6-3, to win the U.S. Open men's final. It is Djokovic's 24th major title.

The WSJ Daily Crossword | Edited by Mike Shenk



OH! OH! | By Kevin Christian & Andrea Carla Michaels

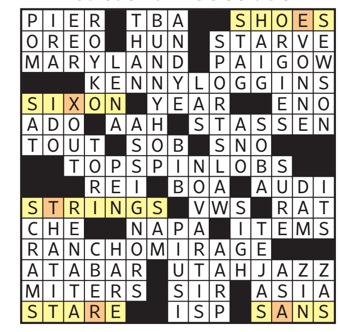
Across

1 Field yield
5 Bloke, informally
10 Maker of Acadia SUVs
13 Own
14 Strenuous, as effort
15 Water, in France
16 Blissful spot
17 Pioneering French designer with a namesake fragrance
19 Broadcast
20 Like many cabernets
21 Part of Goofy's attire
22 Pigeon's extinct cousin
24 Joviality
25 Brezhnev of the USSR
26 Start of a hands-free call, maybe
28 Border
29 Places for laces
31 Barracks bed
32 Footwear for Nancy Sinatra in the 1960s
36 Dough dispenser, for short
39 Burgundy wine grape
40 "___ it the truth!"
44 "Whole" thing
46 Area around a car's wheel
48 Jason of "How I Met Your Mother"
49 "Boomerang" singer (and dancer and actress and YouTuber)
51 Auto loan figs.
52 Gradually became more appealing to
54 Pained sounds
55 One whose weight goes up and down
57 Six-sided state
58 U.S. pollution monitor
59 Insult
60 On the qui ___
61 Lair for a bear
62 Mixes with a spoon
63 Got 100% on, as a test

Down

1 Don of "Crash"
2 Made like a ham, say
3 Person who's dominant in their field
4 Signing tool
5 Contents of a kitchen canister
6 Spanish hero
7 Pirate's haul
8 Holder of Charlie Brown's football
9 Sports pro: Abbr.
10 No-name
11 Toscanini, for example
12 "The Rocky Horror Picture Show" or "Office Space," e.g.
14 Pungently smelly
18 Rival of Hertz
20 J. Edgar Hoover Building org.
23 Valuable blood type, for short
24 Bestselling computer game set in a deserted world
26 Knee-slapper
27 Job ad letters
29 Playlist entry
30 "True Detective" network
33 October birthstone
34 Juniper-flavored drink
35 Without, in France
36 Analyzed for purity
37 Victor Hugo poem critical of the Vatican
38 Co-star of Tom Hanks in "Sleepless in Seattle"
41 Asinine
42 Genre for Duran Duran and Culture Club
43 Criticized severely
45 Paul Anka's "Eso ___"
46 Norwegian inlet
47 Really long time
49 Yankee great Derek
50 Terrell in the Pro Football Hall of Fame
52 Present
53 Modified mortgage deal, for short
56 Two, in Spain
57 Sch. founded by Thomas Jefferson

Previous Puzzle's Solution



The contest answer is **EXTRA**. Each theme clue could also clue an answer with the initials P.S.: Penn State, Paul Simon, passing shots, Palm Springs and Phoenix Suns. One grid answer is a letter off from the second word of each. In grid order they are: SHO**E**S, SI**X**ON, S**T**RINGS, STA**R**E and S**A**NS. Those changed letters spell the contest answer.

▶ Solve this puzzle online and discuss it at **WSJ.com/Puzzles.**

OPINION

Makers vs. Taylor Swift Shakers

INSIDE VIEW
By Andy Kessler

"I think Taylor Swift is great for the soft landing," Columbia Business School economist Brett House declared in the New York Times. Not wanting a recession, I almost rushed out and bought $1,000 tickets and $25.99 friendship bracelets, but then I remembered that isn't how the economy works. There are two sides of the economy: the productive side and the spend side. You can create wealth by learning or you can spend it. We have makers and, appropriate to Swifties, shakers.

In April, Bernard Arnault, chairman of luxury goods maker LVMH Moët Hennessy Louis Vuitton, briefly became the world's richest man as Tesla's stock was temporarily in the dumpster. Now Elon Musk is back. Bloomberg tracks the wealthiest daily. After Messrs. Musk and Arnault are Amazon's Jeff Bezos, Oracle's Larry Ellison and Microsoft's Bill Gates. Françoise Bettencourt Meyers of cosmetics company L'Oréal, at No. 13, is the world's richest woman. The list intertwines tech, luxury, energy and retail.

Most of those near the top of the list are makers. They do more with less, while the spending side, such as Mr. Arnault's brands, sells less for more. This is the difference between mass production and custom products. Let's face it, a $4,650 Louis Vuitton "khaki and beige empreinte calfskin leather with polished brass" tote has the same utility as a paper bag from Safeway. That isn't productivity. On the flip side, Amazon can deliver you a handbag tomorrow. Manufacturing and retail logistics run cheaper every year because of Amazon, Microsoft and Oracle data centers. This is how wealth is created now. Louis Vuitton is how it's spent. See the difference?

Tesla straddles both sides. Investors are betting, heck, praying, that Teslas, basically low-margin cars, become productive autonomous machines, and they might if their Full Self-Driving mode stops running stop signs.

The economy needs both sides. But here's something to think about: Both bring joy, but only one drives progress. We all consume, but progress happens when we postpone consumption and invest. Produce first; spend later. Consumption informs the supply side, which is where learning and societal wealth creation take place. Concert tickets and fashion reduce savings and investment. Production learns; consumption burns.

Yes, we need basic essentials. Maslow's hierarchy of needs: Food, shelter and health should be coupled with love and belonging and a sense of connection. But at some point, the pyramid turns from needs to wants, with squishy stuff like esteem, self-actualization and even transcendence. Delivering these can be a profitable business, but does that create societal wealth? It more creates self-satisfaction.

Productivity is a game of abundance. We went from five transistors on an integrated circuit in 1958 to billions today. Million-dollar computers turned into $500 laptops, and now $50 smartphones. The old corner market was nice, but

Buying tickets to her concerts won't boost the economy and create societal wealth.

Walmart has more than 10,000 stores, each with about 140,000 items. Amazon and Walmart now each have more than 350 million items for sale online. That's abundance.

Luxury, on the other hand, relies on scarcity: Hermès scarves, $50 million homes in the Hamptons, Tiffany jewelry, Breguet watches, $4,300 bottles of 2019 Screaming Eagle wine, Four Seasons over-water bungalow suites, meals at the French Laundry (a Gavin Newsom favorite)—it's travel, restaurants, wine, jewelry, art. The more exclusive, the more expensive. I like the expression "peacocking": showing off money and status, often to overcome insecurities. But self-actualization does nothing for society. Same for alcohol, tobacco, drugs and gambling. Consume all you want—you can even invest in them all at once, via "sin stock" ETFs like the appropriately named $BAD.

The two sides of the economy are starting to blend. Clothing companies like Zara use technology to design and deliver "instant fashion." Chinese company SHEIN is "fast fashion." Same difference—both break the rules of scarcity and deliver fresh products to a mass market quickly. The new productive is mass customization.

Apple iPhones are priced as luxury products that the masses self-customize. Generative artificial intelligence will allow for personal assistants, as Bob Eubanks might say, "selected especially for you." Will we have personalized virtual butlers tied to 3-D printers and drones to cater to our every whim? It will be expensive at first, but of course we will. Mass customization is the AI-enhanced future. Abundance means that luxury and exclusiveness will erode and move further up Maslow's pyramid, from needs to wants to "I desire a little me time."

There will always be two sides to the economy, but I'm suspicious of those who charge more for less. They are exploiting wealth, not creating it. Ultimately today's luxuries will become tomorrow's mass-customized goods and services. AI anxiety therapists that sound like Ms. Swift are coming. That's the side of progress.

Write to kessler@wsj.com.

Chile's Allende Myth Lives On

AMERICAS
By Mary Anastasia O'Grady

Monday marks the 50th anniversary of the military coup in Chile that removed Marxist President Salvador Allende from office. Allende committed suicide that day rather than surrender and go into exile. Army Gen. Augusto Pinochet took power and remained at the helm of Chile's government for more than 16 years.

In the midst of the Cold War, Washington contributed, financially and otherwise, to groups in Chile opposed to Allende while the Soviet KGB and Havana backed him. In early September 1973, as economic chaos and a constitutional crisis shook the country, the U.S. was aware of rumblings in the armed forces. But Central Intelligence Agency briefings for President Richard Nixon, declassified last month, suggest that the agency wasn't informed ahead of time about the military's decision to move against Allende. "Although military officers are increasingly determined to restore political and economic order, they may still lack an effectively coordinated plan that would capitalize on the widespread civilian opposition," the CIA told Nixon on the morning of Sept. 11.

"Socialist, leftist extremists, and Communists are equally determined not to compromise," the briefing said. "They are gambling that the military and political opposition cannot carry out moves to oust the government or even to impose restraints on it. President Allende, for his part, still hopes that temporizing will fend off a showdown." The coup had been launched early that day.

Pinochet presided over a military dictatorship but not a totalitarian one. When he stepped aside in 1990, after a national referendum turned him out, Chile had a rule of law, free elections and a market economy.

Nevertheless, the coup marked the official launch of a bitter struggle, already under way, between anticommunists and a militant underground that sought to turn Chile into another Cuba. The Pinochet regime engaged in reprehensible acts, including the assassination of former Allende cabinet official Orlando Letelier in Washington. A truth commission established by President Patricio Aylwin in 1990 reported some 3,420 cases of disappearances, torture, kidnapping and killing. It said most of the forces disappearances by the government took place from 1974 to 1977. The report assigned responsibility for much of the repression to Pinochet's intelligence apparatus.

Neither the human-rights violations under Pinochet nor the economic turnaround his regime made possible is disputed to this day. But the history of what led to the coup has been buried by Chile's hard left, which still seeks revenge for a defeat that came when it thought it was close to seizing absolute power under the guise of democracy. Hugo Chávez would pull off that trick less than three decades later in Venezuela, having learned from Allende's mistakes.

Even Chile's social democrats have been reluctant to acknowledge Allende's antidemocratic transgressions. In 2003, marking the 30th anniversary of the military takeover, President Ricardo Lagos wrote in the International Herald Tribune that Allende "attempted the unprecedented feat of advancing toward socialism through free elections and republican institutions." That's hooey.

Fifty years after the military coup, he's still portrayed falsely as a democrat.

It's true that Allende had used the electoral process to get to the presidency. He narrowly finished first in the 1970 election, but with less than 37% of the vote. That meant Congress had to green-light his inauguration. His Popular Unity coalition—which brought together the Communist Party and his own Socialist Party—combined with his warm relationship with Fidel Castro and a long record of preaching bolshevism caused hesitation in the chamber. It was overcome after he pledged to abide by a statute of constitutional guarantees. Once in office, he unleashed a revolutionary rampage, not only failing to "govern," as Mr. Lagos put it, but refusing to accept limits on executive power.

Expropriation and nationalizations sent investors fleeing. There was triple-digit hyperinflation, followed by price controls, dire shortages and rationing. Allende also trampled institutions. He inflamed civil society by targeting the free press and with a plan to turn schools into indoctrination centers.

In May 1973 the Supreme Court accused the government of flouting judicial decisions and the law. The medical and bar associations took a similar stance. On Aug. 22 the lower house of the Chilean Congress passed a resolution denouncing Allende's power grab and calling on the military to uphold its oath to the constitution.

Without enough votes in the Senate to unseat him, there was no legal way to stop the lawless president. Everyone knew it. A month after the coup, left-of-center former Christian Democrat President Eduardo Frei declared "the military has saved Chile."

To his credit, in his 2003 op-ed, Mr. Lagos tried to use the coup's 30th anniversary to unite the country around modern liberal democracy. Chile, he wrote, had become "a country in which consensus reigns, a country that is forging its way ahead amid the new challenges of a globalized world."

Gabriel Boric, Chile's current president, has gone in the opposite direction, using this anniversary to score points with his hard-left fellow travelers and to fuel division. As history suggests, that's not good for either side and it's not good for Chilean democracy either.

Write to O'Grady@wsj.com.

Free Riders on the Sidewalk

By Ivan Png

My family recently had lunch at our favorite Chinese restaurant in Palo Alto, Calif. Since the pandemic, we have always sat outside, enjoying the lovely California weather.

Prior to Covid, the restaurant didn't offer al fresco dining. Like many establishments, it won a windfall from the pandemic: a free extension onto the sidewalk and street.

The land grab—and that's what it is—benefits the owner of the property even more than the restaurant. Essentially, the extension onto the street is an expansion of the landlord's real estate, like an extra floor but much more accessible and visible.

Less obvious is who loses from the land grab. The city government loses parking revenue. Neighboring businesses lose accessibility and visibility, especially if restaurants extend beyond neighbors' store fronts. Pedestrians lose sidewalk space; what's left feels more like a tunnel. Drivers lose parking spaces and roadway.

The extension of restaurants onto sidewalks and streets creates what economists call a negative externality. One party benefits, but it imposes costs

Outdoor dining helps restaurants and their landlords at everyone else's expense.

on others. If the costs were borne only by owners of neighboring property, then the parties involved could negotiate an optimal solution among themselves.

In reality, the extension imposes costs more broadly—on pedestrians, drivers and others. It would be too costly and complicated for this broad mass to negotiate collectively.

With the pandemic over, local governments are stepping into the breach. In March, Palo Alto began allowing "parklets"—seating areas on parking spaces using up to 350 square feet of roadway. The city plans to charge a license fee of about 70% of the typical commercial rate per square foot.

The devil is in the details. In August, the New York City Council enacted a policy for sidewalk and roadway dining. The city will charge restaurants an annual fee of $5 to $31 a square foot, depending on location. These fees were set according to the median annual rent of ground floor commercial premises.

But even the highest rate of $31 is far less than the average retail rental of $638 a square foot for ground-floor retail space in prime areas of Manhattan. It's still a giveaway.

While setting fees according to an average or median may seem reasonable, it doesn't work well in practice. As the New York example shows, for businesses in prime locations the fee is trivial. By contrast, for businesses in poor locations, the fee would be excessive.

How to solve this vexing issue? A simple solution is to peg the rental for use of the sidewalk and roadway to the rental rate that the landlord charges. This would precisely represent the value of the space. The landlord is interested in charging an amount that represents the value of the location. The city can piggyback on the landlord's market research and negotiation. It is as simple as that.

Mr. Png is a fellow at Stanford's Center for Advanced Study in the Behavioral Sciences and a distinguished professor at the National University of Singapore.

BOOKSHELF | By Gerard Helferich

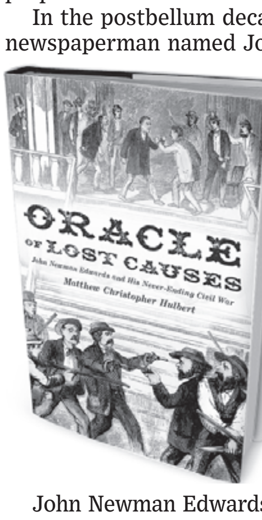
The Making Of a Myth

Oracle of Lost Causes

By Matthew Christopher Hulbert
(Bison, 360 pages, $34.95)

When any war ends, a new battle begins, the so-called memory war waged by political partisans over how the conflict will be remembered. After the Civil War, Confederate apologists claimed that the struggle had been over states' rights and Northern aggression, not slavery; that slaveholding was just and benevolent; and that the South was morally and socially superior to the North. Meant to ease the sting of defeat and defend Southern honor, this mythology, known as the Lost Cause, would serve as a pretext for the racial terror perpetrated over the next century and more.

In the postbellum decades, a Missouri-based author and newspaperman named John Newman Edwards emerged as an influential advocate of the Lost Cause, rewriting history and promoting a reactionary political agenda. Along the way, he launched the legends of (among others) former rebel leader Gen. Joseph Shelby; the notorious Confederate guerrilla raider William Quantrill; and the bushwhackers-turned-bandits Frank and Jesse James. In "Oracle of Lost Causes," Matthew Christopher Hulbert argues that it is time for Edwards to step out of his role as star-maker and "command top billing."



John Newman Edwards was born in 1838, to a Virginia family of ample pedigree but limited means. As a boy, he devoured romantic tales of Greek heroes, Roman emperors and medieval knights, developing a lifelong nostalgia for an idealized past. He also concluded, Mr. Hulbert writes, that "the royals, nobles, and aristocrats of the Old World and the American South's elite planters and intellectuals shared timeworn traits that affirmed their right to rule."

When he was 17, Edwards left Virginia to seek his fortune in the political cauldron of western Missouri, arriving as violence erupted between pro-slavery partisans there and Free-Staters in neighboring Kansas. In the town of Lexington, Edwards found work on a pro-slavery newspaper. He also befriended the dashing Joseph Shelby, the transplanted scion of one of Kentucky's first families and a slaveholder who had already led mounted raids across the Kansas border. To the admiring Edwards, eight years his junior, Shelby was "the epitome . . . of cavalier sophistication," Mr. Hulbert writes, "the closest thing John had ever seen to one of his Round Table idols in the flesh." The friendship would endure, to both men's advantage, for the rest of Edwards's life.

When Shelby raised a Confederate cavalry company at the beginning of the Civil War, Edwards eagerly enlisted. Promoted to adjutant, he was charged with writing his commander's official reports, always with an eye to future historians as well as his Confederate superiors. By war's end, Edwards had been promoted to major. In 1867 he published his first book, "Shelby and His Men." It was meant, he wrote in the preface, as an "offering" laid "upon the altar of Southern glory and renown."

Five years later, Edwards released his second book, "Shelby's Expedition to Mexico." In the summer of 1865, the ex-general and a few hundred of his men, including Edwards, had marched into Mexico and offered their services to Emperor Maximilian, the Habsburg prince whom the French had installed after deposing reformist president Benito Juárez. To Juárez and his followers, Maximilian was a usurping despot, but to Edwards the emperor represented, as Mr. Hulbert puts it, all that "was good about the Old World: royal bloodlines, imperial power, sophistication, chivalry, rigid hierarchy, and order."

After the Civil War, a prolific Missouri author glorified the Southern cause and made heroes of Confederate generals and guerrilla fighters.

Politely declining their offer of arms, Maximilian settled the former rebels on some farmland near Córdoba, where the "Confederados" began to build a planter society like the one they had lost north of the border. Then, in 1867, after Napoleon III had withdrawn his support of Maximilian, Juárez returned to power, and the Mexican emperor faced a firing squad. Arriving back in Missouri, Edwards worked on several newspapers in the coming years, promoting the Lost Cause and railing against the scourge of Reconstruction.

He also made folk heroes of Frank and Jesse James. During the Civil War, the James brothers had ridden with William Quantrill, whose guerrilla tactics, Mr. Hulbert reminds us, relied heavily on "assassination, torture, arson, . . . rape, and even massacre." After the war, the Jameses took to robbing banks. But in Edwards's accounts, the brothers were latter-day Robin Hoods, fighting for justice and forced into a life of crime by corrupt Republican politicians. Befriending the bandits, he published their letters and editorialized on their behalf, spreading their fame and appealing for public sympathy. After Jesse's death in 1882, Edwards negotiated Frank's surrender and helped to direct his (ultimately successful) legal defense.

In "Noted Guerillas" (1877), Edwards glorified Quantrill, "Bloody Bill" Anderson and other bushwhackers. But eventually even he had to admit that the Southern cause was lost irrevocably. Disillusioned, depressed, embittered, Edwards turned increasingly to drink and died of alcoholism in Jefferson City, Mo., on May 4, 1889, at the age of 51.

To Mr. Hulbert, an assistant professor of history at Hampden-Sydney College, Edwards's life is nothing less than "a grand collage of nineteenth-century America." The author has researched his story deeply, and he tells it well, including the myriad ways in which Edwards twisted the truth in his reactionary harangues. Even so, one can't help wishing that, in recounting the life of a fervent, lifelong apologist for the Confederacy, Mr. Hulbert had adopted a more critical tone. (Not to imply that he sympathizes with Edwards's views.) He might have stepped back more often to remind us of the tremendous harm that such mythmakers inflicted; for Edwards's memory war rages still, as in the controversies surrounding monuments to slaveholders and Confederate leaders. More than 150 years after Appomattox, we can never forget what is at stake.

Mr. Helferich's most recent book is the historical novel "Hot Time," published under the pen name W.H. Flint.

OPINION

REVIEW & OUTLOOK

Democrats Start to Panic About Biden

His low standing in the polls is finally alarming them about 2024.

This is the season of Democratic discontent, as the party and its media friends fret about President Biden's low standing in the polls. The questions to ask are what took them so long, and what are they going to do about it?

The latest panic comes amid polls showing that Mr. Biden's job approval is 42% or so. Despite White House cheerleading about Bidenomics, voters give Mr. Biden little credit. He's tied with Donald Trump in a 2024 matchup, which shows how weak Mr. Biden is for an incumbent with a growing economy.

The party freakout is on display. James Carville and Jim Messina, veterans of winning Democratic campaigns, are chiding the party's "bedwetters." But some in the media are saying Mr. Biden should announce he won't run for a second term. He could leave office as a Democratic hero who saved the country from a second Trump term, say he accomplished a lot by progressive lights, and let the party nominate someone from the next generation.

Yet no Democrat of stature has been willing to say this publicly, much less challenge Mr. Biden in the primaries. For months we've asked Democrats who visit us why no one is challenging Mr. Biden given his unpopularity. Their answer boils down to confidence that Mr. Trump will be the Republican nominee, that he's the easiest Republican to beat, that Mr. Biden has done it once, and that a primary challenge would be more divisive than it's worth.

Perhaps that will prove to be right, but what a gamble it is. Consider Mr. Biden's manifest political liabilities:

• *His age and decline*. The press has tried to cover for Mr. Biden, but voters trust their own eyes. Some 73% of registered voters in the latest Wall Street Journal poll say Mr. Biden is too old to run for President. Mr. Biden turns 81 in two months, and aging can accelerate at any moment. The White House will attempt to repeat a Rose Garden version of the 2020 Wilmington basement strategy, but it may not work.

• *Vice President Kamala Harris*. Mr. Biden chose her as his running mate in 2020 to meet his party's identity politics demands. But it has backfired as she has shown little capacity to be Commander in Chief and is often embarrassing in interviews. Everyone knows a vote for Mr. Biden in 2024 is probably a vote for President Harris, and Republicans will make the point through Election Day if she stays on the ticket.

• *Hunter Biden and the family business*. House Republicans have already exposed enough details to confirm the President's son's use of the Biden name—"the brand," as business partner Devon Archer put it—to enrich the family. The press can say there's no evidence that Joe Biden received a check, but Democrats don't know what remains to be uncovered.

Mr. Trump will be relentless in prosecuting all of this politically, and the danger for Democrats is that the Biden family influence-peddling will end up neutralizing Mr. Trump's indictments as a liability. That's what he did to Hillary Clinton in 2016.

• *The economy*. The economy has rebounded this year, and third-quarter growth has been strong, but a slowdown is expected in the months ahead. Despite falling inflation, real incomes are still a long way from recovering from the price increases of the last 30 months. If unemployment rises to 5% or 6%, there will be political damage to Democrats and not much ability to counter it.

• *The spreading migrant mess*. Has there ever been a bigger self-inflicted policy wound than the Biden Administration's refusal to deter and stop the migrant flood at the U.S.-Mexico border? Mr. Biden refuses to challenge his progressive base on asylum law, and the damage has spread far and wide. Elected Democratic officials are crying for help. Former New York mayor Michael Bloomberg, a Biden supporter, is warning Democrats that this will damage the party in 2024 if they don't act.

* * *

There are other potential dangers, not least from adversaries abroad. Russia, China and Iran might all seek to exploit U.S. election-year divisions. But there are already enough political risks to justify Democratic alarm.

Democrats may be right that Mr. Trump will be their salvation again, as he has been in every election since 2016. But if they stick with the Biden-Harris ticket, and wake up on the day after the election to discover Mr. Trump has repeated his 2016 miracle, don't blame Republicans. Democrats will have made an equally decisive contribution.

Glenn Youngkin's Good Pardon

Scott Smith was charged for loudly protesting an assault on his daughter.

Virginia Gov. Glenn Youngkin has done a good deed by pardoning a Loudoun County father who protested the assault on his daughter and the school's attempt to cover it up. This is a proper use of the pardon power to correct an injustice by a local Democratic prosecutor who criminalized free if angry speech.

Mr. Youngkin said on Fox News Sunday that he had pardoned Scott Smith on Friday. Mr. Smith was convicted of disorderly conduct in August 2021 after he erupted at a school-board meeting over the handling of the attack on his daughter in a public-school bathroom. She was a ninth-grader at the time. Mr. Smith erupted when a member of the audience denied there had been an assault.

The press treated Mr. Smith's verbal protest as part of some larger right-wing campaign of violence. The National School Boards Association cited the episode as an example of potential domestic terrorism in a letter to President Biden. Attorney General Merrick Garland followed with a letter asking the FBI and U.S. Attorneys to investigate threats against local school boards that haven't materialized. These actions appear to have been an attempt to fit Mr. Smith into the Democratic Party's portrayal of conservative critics of government as motivated by hatred.

But Mr. Smith was understandably angry at the treatment of his daughter. A state investigation later found fault with the Loudoun school board's handling of the event. Gov. Youngkin's pardon rights that wrong, and it has the added benefit of showing parents what is at stake when they vote for a new Virginia Legislature in November.

Medicare's Bad Call on Transplant Tests

Blood tests can save organs. Why are the feds denying coverage?

Government spending on healthcare often leads to rationed care owing to rising costs. Think of the waiting lists in Canada and new price controls on U.S. drugs. Another mistake is playing out in care for organ-transplant patients denied coverage for blood tests that detect problems.

In March, MolDX, a program run by Medicare contractor Palmetto GBA to make coverage decisions on molecular lab tests, changed its guidance for when certain blood tests can be used. The tests, which use molecular technology to catch signs of organ rejection, are often ordered for patients who had kidney, heart or lung transplants. Under the contractor's new policy, the tests can no longer be used as part of routine monitoring care for most patients.

The tests are expensive. Blood tests for kidney and heart rejection can cost $2,800-$3,200 each. To be most useful, they have been administered regularly to help doctors monitor the body's response to a new organ. The tests pick up how failing organs shed donor DNA into the bloodstream, catching problems early. By the time a patient shows up with a fever, organ rejection is often advanced.

Stanford pediatric nephrologist Ken Sutha told us that doctors must often walk a tightrope with transplant patients. The patients take immuno-suppressant drugs to prevent organ rejection. But if they get sick, their doctors must back off the suppressants to let their bodies fight the illness.

Blood tests are critical during that time for monitoring early signs of organ rejection. Dr. Sutha knows this as a practitioner and patient. He received a kidney donation from his father when he was 24 but lost it when the rejection wasn't controlled. The alternative to the blood tests is an invasive biopsy that is also expensive and may be done too late to save the organ.

Palmetto's MolDX program answers to the federal Centers for Medicare and Medicaid Services (CMS). We requested comment from CMS on Sept. 5, and on Sept. 8 a spokesperson said the agency needed until this week to respond.

So what was MolDX thinking? The contractor says the March decision wasn't a coverage change but merely a clarification and so did not require public notice and comment. Two weeks ago MolDX issued a draft local coverage determination for comment, but it still maintains there haven't been any coverage changes. Comments will only be allowed to discuss the "revision for clarity."

Hmmm. The "revision for clarity" says that if the test is performed instead of a biopsy, it may be performed no more frequently than biopsies would have been performed. But that misses the entire point of medical innovation providing a non-invasive alternative for early detection. Reducing its use will put more than 140,000 Medicare transplant patients at greater risk of rejection.

The American Society of Transplant Surgeons, the International Society for Heart and Lung Transplantation and the American Society of Transplantation have written letters to the contractor explaining the need for the tests. The surgeons' group notes the change makes no sense when CMS itself has "clearly acknowledged that transplantation is the best, and most cost-effective, treatment option."

MolDX and CMS may not admit it, but this looks like a classic case of government denying coverage to save money, though it isn't clear it really will save money or lives if more transplants are rejected. This rule by bureaucratic diktat is the future of medicine as government dominates payments.

LETTERS TO THE EDITOR

Weingarten: In Defense of the Teachers Union

In "Labor Unions Have Lost Their Way" (op-ed, Sept. 2), Elisabeth Messenger argues that the American Federation of Teachers is on the decline because it no longer represents its members' best interests. Nothing could be further from the truth.

Education is in our DNA. That's why, while the extreme right bans books, we have given away nine million books so far to students and families. When extremists erase people and censor history, we try to teach honest history that illuminates the American story with all its successes and shortcomings. While the attacks on public schools continue nonstop, we have joined with parents to address learning loss, loneliness and literacy through transformative strategies that can be sustained and scaled to help children recover and thrive.

Ms. Messenger ignores contracts that our locals have fought for from coast to coast to help members and their families. In Kansas City, Mo., we achieved higher pay and paid parental leave for underpaid teachers. In New York City, educators and school personnel received higher pay, an annual bonus and a reduced paperwork load. In Bend, Ore., the Oregon Federation of Nurses and Health Professionals were instrumental in getting a new safe-staffing law that represents the most dramatic legislative improvement in patient care in more than a generation.

Our problem-solving approach has helped increase our membership to a record high of 1.72 million. Parent support for public schools has also increased.

Ms. Messenger represents a group, Americans for Fair Treatment, that seeks to weaken the mission of the labor movement. We aren't perfect, but our mission is to fight for a better life for our members and the communities they serve.

RANDI WEINGARTEN
President, American Federation of Teachers
Washington

Office Is the Site of More Than Career Magic

I wholeheartedly agree with the thrust of Bob Brody's "Career Magic Happens in the Office" (op-ed, Sept. 1), and would go a step further. Life was being lived and observed in the office. I met, dated and married my wife while sitting at a desk right across from hers in an entry-level job. I gathered in a large conference room to hear the O.J. Simpson verdict. We all watched with horror on 9/11 as the Twin Towers came down.

People always ask, "Where were you when . . . ?" For those sitting in front of screens at home, it is always the same answer. For the rest of us, the answers are varied, accompanied by feelings and impressions that mark the living of life itself.

BILL DRABIK
Wheaton, Ill.

Returning to my office years ago, I found a yellow Post-it Note in the center of my desk: "So when are we going to the movie?" Yikes. There had been a discussion of a new movie at the cafeteria table that morning. A few of us hadn't seen it. The handwriting was neat; certainly, in my mind, it was a woman's.

I had transferred to this office a few years prior, and everyone knew I was a single father with teenagers—not a recipe for dating. But I did organize after-work volleyball games. Participants were from all the disciplines found in a corporation, and both men and women. The women tended to be younger and "out of my league." Well, I was unnerved. I really didn't know how to respond.

The sticky was still there a few hours later when my future wife (now of 40 years) showed up at my office door and said, "How about Friday?" Four other marriages also resulted from the informal volleyball matches.

ROBERT W. LEWIS
Lakeway, Texas

Electric Trucks and California's Green Goals

Your editorial "California's Assault on Trucks" (Sept. 1) refers to a remark of mine that some trucking fleets use diesel generators to power chargers, so that their electric trucks don't go unused. This comment needs clarification. Diesel generators are being used only sporadically as a temporary bridge until the infrastructure is built to deliver clean energy to electric trucks. It went unmentioned that Southern California Edison is working to eliminate this temporary and undesirable occurrence.

To help California meet its decarbonization goals, SCE coordinates with regulators and local jurisdictions to assure a reliable and resilient grid can meet growing energy demand. Many factors dictate the time it takes to complete EV infrastructure, including getting permits and materials. We encourage customers to contact their utility early, so that EV infrastructure can be completed concurrent with the availability of electric trucks.

California's climate goals are aggressive for a reason: Medium- and heavy-duty trucks contribute 25% of the diesel pollution that hits lower-income Californians the hardest. Clean power and electrification are the most efficient and affordable strategies to achieve the state's decarbonization goals. We are forging ahead to help make that a reality—trucks included.

STEVEN D. POWELL
President, Southern California Edison
Rosemead, Calif.

Jimmy Buffett and the America We Wish We Had

I have yet to read a more thoughtful and fondly written eulogy for Jimmy Buffett than the one you published by Bob Greene ("Jimmy Buffett Departs With the Summer," op-ed, Sept. 5). The headline alone conveys more sentiment than have most other tributes to him. I'm certain that something so well written must have been informed by more than Mr. Buffett's music, though.

For Mr. Greene as for me, growing up along with Buffett's hit song "Margaritaville," Buffett was more than his music and the lifestyle he portrayed. He was the embodiment of an America longed for, but gone. An America where work was something you did only to make money and not to define yourself or to be defined by others. What really mattered was what you did when you finished the job.

Perhaps that's why Buffett's Margaritaville retirement communities are such a hit. Folks can share the same care-free lifestyle regardless of who or what they were before coming there. Just as with many of Buffett's songs, the past is the past, without any judgment. So many wish that America were really like that today. That's why we're so wistful at his passing.

JOSEPH P. PETITO
Bethesda, Md.

What Reagan Would Say

Ronald Reagan famously said, "Government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it." As evidenced by your editorials "An Electric-Car Payoff for the UAW. . ." (Sept. 2) and "California's Assault on Trucks" (Sept. 1), the quotation needs a Bidenomics extension: "If the subsidies don't get it moving, regulate its competitors. If it still doesn't move, tax its competitors." Perhaps we'll soon add another line: "If nothing moves it, indict its competitors."

FRED VAN BENNEKOM
Bolton, Mass.

Looking Better Than the Rest

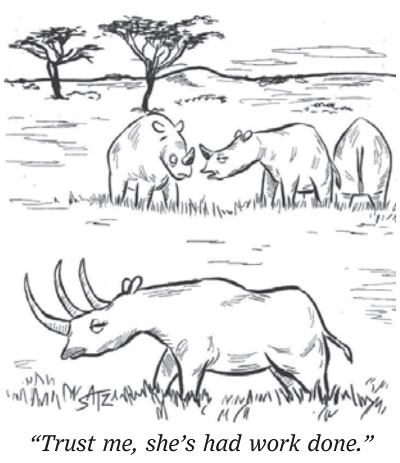
Gerard Baker has outdone himself. Besides the gloomy outlook he describes for Italy, Germany, the U.K. and China ("The U.S. Is the Most Troubled Nation, Except for All the Others," Free Expression, Sept. 5), there is social upheaval in France, and Russia will take years to recover from Vladimir Putin's destructiveness. Much of Latin America is regressing to autocracy and wallowing in protectionism. Mr. Baker's column should be required reading for America-bashers.

FRANK SCHELL
Chicago

Letters intended for publication should be emailed to wsj.ltrs@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

Pepper ... And Salt

THE WALL STREET JOURNAL



"Trust me, she's had work done."

OPINION

Gary Gensler's Plan to Control Information

By William P. Barr
And Barbara Comstock

Gary Gensler made millions on Wall Street as a Goldman Sachs partner decades ago. Since then, technological advances have democratized financial markets, giving millions of Americans opportunities to invest as only elites could before. Now, as chairman of the Securities and Exchange Commission, Mr. Gensler, citing no evidence that this inclusive technology harms investors, has proposed a sweeping rule restricting the use of technology by financial-service firms. It would stymie innovation through heavy-handed restrictions and micromanagement.

This is only the latest example of Mr. Gensler's grandiose regulatory style. He takes on airy theoretical issues and attacks them with broad prophylactic regulations that are long on speculation and paternalism, short on evidence and rational analysis, and heedless of Congress and the Constitution. He claims these measures will head off speculative evils, but they are more likely to throttle the dynamism of U.S. markets.

The SEC wants to limit 'protective data analytics.' The result would be to throttle market dynamism.

The use of technology by financial firms has produced great results: Tens of millions of retail investors now participate in the U.S. stock market at historically low costs. As of 2021, retail investors' share of total equity trading volume approached 25%, up from 20% in 2020 and 10% to 15% in the preceding decade. Technology has played a central role in expanding market access to retail investors.

As a professor at the Massachusetts Institute of Technology, Mr. Gensler recognized technology's benefits, explaining shortly before becoming SEC chairman that "we can use technology to make finance more inclusive and more accessible to many more millions of people in our country and many more hundreds of millions of people around the globe." But now as a regulator, he would undercut that progress. He recently proposed, via a party-line SEC vote, a rule on "predictive data analytics," or PDA.

Although this name implies narrowly targeting deceptive uses of sophisticated technologies like PDA and artificial intelligence, the rule is a breathtaking power grab. It would create a comprehensive regulatory regime governing any analytical or computational tool whereby information potentially relevant to investments is presented to the public. This runs the gamut of financial technology, from the simplest spreadsheets, algorithms and software to artificial intelligence.

The rule sets up the SEC as the financial industry's technology czar to micromanage the use of technology through prescriptive, burdensome and unworkable requirements. It declares it is a "conflict of interest" for a firm to communicate to customers any information generated using technology that so much as "takes into consideration" any interest of the firm. The idea is to block firms from conveying information tinged by self-interest. It applies to any purely informational interaction with current or prospective customers whenever the information being conveyed is merely consistent with a firm's interests. The rule effectively bars a firm from communicating this information until it first assesses the risk the information

ANDREW HARRER/BLOOMBERG NEWS

might influence a customer to act against his own interests and then "eliminates" that risk.

The SEC has failed to point to any evidence the technology it seeks to restrict is being abused by firms or harming investors. The evils are purely speculative. Yet the rule's inevitable effect would be to stifle innovation and technological deployment. Given the rule's vast scope and the burdens imposed, firms will be forced, to the detriment of investors, to shy away from investing in and using many beneficial technologies. This may be Mr. Gensler's ultimate aim.

His proposal rests on a false premise—that delivering information to customers should be presumed harmful simply because it is consistent with the firm's interests. What if the information isn't misleading? Or what if it aligns with the firm's interest and customer's interest? Investing isn't a zero-sum game. As existing law recognizes, information that takes into account the interests of a firm can still be in the best interests of a customer.

But this rule adopts an expansive conception of "conflict" that departs radically from decades of settled law and existing conflict rules, which apply only when a firm with an interest contrary to a customer recommends a transaction or provides investment advice to that customer. The rule also stretches Dodd-Frank beyond its breaking point, reading nonexistent authority in vague provisions to provide the SEC with the authority to regulate new and transformative technologies like AI, which Congress never intended to give the agency.

Even if the SEC's concerns had merit, there is a long-established and less restrictive way to address them: disclosure. As long as conflicts are disclosed, investors are free to make decisions based on their determination of their best interest. But here, rather than relying on disclosure, the SEC would insist on "eliminating" the conflict by withholding useful information from customers. The PDA rule is driven by extreme paternalism. The SEC believes it must protect ordinary investors from themselves because they aren't able to use technology responsibly to make their own financial decisions.

The PDA rule also creates glaring constitutional issues by restricting what information firms can communicate to the public without adequate justification. As courts have recognized, there is no "securities law exception" to the First Amendment. Under the U.S. Constitution, unless a communication is deceptive, the mere fact that it imparts to a customer information consistent with a speaker's own interests can't possibly justify these sweeping restraints.

When bureaucrats adopt broad, prescriptive frameworks to manage new, fast-moving technologies, it almost always stifles innovation. The prudent approach is to allow time for the technology to gain traction and for its benefits and risks to take shape before weighing in, and then doing so only as necessary to address a discrete harm. This should apply to future regulation of AI. It is impossible for an agency such as the SEC to gauge the costs and benefits of such a transformative technology outside a specific context in which it is used. Any sensible regulation would wait until some specific, concrete harm arises.

We have faith in investors and their growing power in the U.S. stock market. Mr. Gensler's patronizing and misguided proposal would stifle technological innovation and return investing to the days when it was so difficult and expensive that most Americans simply didn't—or couldn't—participate. The SEC should reconsider and reject this proposal.

Mr. Barr is a senior adviser to the American Free Enterprise Chamber of Commerce and a distinguished fellow at the Hudson Institute. He served as U.S. Attorney General, 1991-93 and 2019-20. Ms. Comstock is executive director of the American Consumer and Investor Institute. A Republican, she represented Virginia's 10th Congressional District, 2015-19.

The Student-Debt Bubble Fueled a Housing Bubble

LIFE SCIENCE
By Allysia Finley

Home prices in the San Francisco Bay Area have plunged amid rising mortgage interest rates. The total value of the city's homes has fallen by roughly $60 billion since last summer, causing about 1 in 8 recent sellers to take a loss, real-estate website Redfin reported last week.

San Francisco's deflating home market doesn't necessarily reflect the whole nation, but it isn't surprising. Easy money and excessively supportive government policy during the pandemic fueled a surge in housing prices nationwide. The withdrawal of cheap credit will doubtless cause pain, though where and how is hard to predict.

Credit scores of home buyers have generally improved since the 2000 bubble years thanks in part to changes in FICO's calculations that reduced penalties for unpaid medical debt. A decade of historically low interest rates also made it easier for buyers to finance debt.

Yet perhaps the biggest credit boost came from Obama-era income-based student-loan repayment plans, which capped monthly payments at 10% of discretionary income. Many student borrowers consequently aren't paying down their debt, but it isn't counted against them when they attempt to buy homes. While credit scores are improving, it isn't clear borrowers have become more creditworthy.

Add to the mix government-sponsored enterprises Fannie Mae and Freddie Mac, which have fueled the housing boom by making it easier for borrowers who can't afford to repay their student loans to take out bigger mortgages.

Here's out it works: Mortgage lenders have typically preferred that buyers have a total debt-to-income ratio less than 36%—meaning that monthly debt payments shouldn't exceed 36% of one's income. As housing prices climbed, however, Fannie and Freddie allowed home buyers with higher debt-to-income ratios to qualify for government guarantees.

In the second quarter of this year, 26% of new mortgages backed by Freddie had debt-to-income ratios above 45%. Fannie now guarantees mortgages for buyers with debt-to-income ratios up to 50%. But here's the kicker: Fannie and Freddie exclude much student debt for borrowers in Obama income-based repayment plans. This has enabled many people who can't afford to pay their student loans to take out mortgages that are $100,000 to $200,000 larger.

Fannie and Freddie ignore much of what borrowers owe, allowing them to qualify for huge mortgages.

Take a couple with two kids that earns $75,000 a year and has $100,000 of student-loan debt. Under a standard repayment plan, they would have to pay about $1,150 per month. Under the Obama plans they would have to pay only about $250. If they apply for a mortgage, only $250 would be counted toward their debt-to-income ratio.

This would enable them to qualify for mortgages with monthly payments $900 larger than they otherwise could if they were paying down their student loans in full. At today's interest rates, they would qualify for a roughly $120,000 larger mortgage.

It gets better: If borrowers don't earn enough to make their monthly student-loan payments, no sweat. Mortgage lenders can count their student-loan payment as zero—meaning they can take out even larger mortgages. What could go wrong? For taxpayers, who stand behind the mortgages and student debt, a lot.

At the same time, Fannie and Freddie have reduced the required down payments for lower-income borrowers to 3% from 20% for conventional mortgages. A freelance website designer "ready to buy a home of his own" but still in need of his parents as co-borrowers needn't worry, Freddie's website says. He can still qualify for a 3% down payment.

As the housing market has slowed, the nation's biggest mortgage lenders in recent months began to chip in 2% toward the 3% down payment. Home buyers thus have to scrounge up only a few thousand dollars to buy a new home. Such accommodative policies helped fuel the run-up in prices and are now helping prop them up.

Nonetheless, the median home price nationwide has fallen 13% from its peak last autumn. That means some recent home buyers with low-down-payment mortgages could already be underwater.

Conventional wisdom holds that home owners are in better shape than they were before the 2007-2008 housing meltdown. That may be true, but the combined effects of higher interest rates and inflation could soon start to bite homeowners harder.

Home-insurance premiums are soaring, 20% on average over the last year. If homeowners have to buy a new car because their old one breaks down, their auto-loan payments will spike. Auto-loan and credit-card delinquencies are now at their highest levels in more than a decade. Struggling homeowners may pay their mortgages first to avoid foreclosure, but something may eventually give, and it may not be in housing.

One thing that's certain is that taxpayers are now standing behind trillions of dollars in risky mortgages and student debt. The former may be saved from default only because borrowers aren't repaying the latter.

Biden Courts Iran as It Wages a Multifront War on the U.S.

By Jonathan Spyer

Jerusalem

The Biden administration has pursued a strategy of outreach to Iran—releasing frozen assets in exchange for hostages, trying to revive the Obama-era nuclear agreement. Iran and its regional allies, meanwhile, are getting more aggressive. On Aug. 28 Hassan Nasrallah, secretary-general of Lebanese Hezbollah, issued a direct threat to the U.S.

"The Americans control the oil fields east of the Euphrates, and they are the ones who prevent these fields from returning to the Syrian government," he said. "The Syrian state and its allies are able to liberate the east of the Euphrates. . . . But the east of the Euphrates is an area occupied by U.S. forces, so the conflict there is a regional conflict and could lead to an international conflict. . . . If the Americans want to fight, they're welcome, and this is the real battle that will change everything."

Mr. Nasrallah said this in an address marking 17 years since the Israel-Hezbollah war of 2006, which his Iran-backed movement considers a "divine victory."

His saber rattling comes amid heightened tensions in the Syria-Lebanon-Israel triangle. Nine hundred U.S. troops are deployed east of the Euphrates. More than 70 people have been killed in clashes between the U.S.-supported Syrian Democratic Forces, which control the area, and Bedouin tribes.

The Hezbollah leader's threats to the U.S. are in line with an idea making the rounds among Iran's allies in the Levant. It is the "unity of the arenas" *(wahdat al saha'at* in Arabic), according to which the various battles between Iran's allies and pro-Western forces in the region are parts of a single war. That includes Hezbollah's domination of Lebanon, the Assad regime's effort to expel the U.S. from Syria, and terrorism against Israel by Hamas and Palestinian Islamic Jihad. The concept deserves close attention. In Israel, such utterances are noted not only because of their rhetorical appeal but also because they have direct consequences.

Several ominous events in recent months demonstrate what this concept means in practice.

In March, an operative carrying a claymore mine was dispatched from Hezbollah-controlled South Lebanon to central Israel. His mission clearly was to carry out a mass terror attack using a type of ordnance rarely seen in the Israel-West Bank arena. The operative was killed as he tried to return to Lebanon, after planting the mine. An Arab citizen of Israel was blinded when the mine exploded.

In the same month, a drone attack on a U.S. position in Hasakah, Syria, killed a civilian American contractor and wounded five U.S. service members.

In April, 34 rockets were fired at Israel from South Lebanon. Israeli authorities suggested that Hezbollah might not have been aware of the firing. This contention was fatuous, conveyed hesitation, and is no longer maintained by Israel. Nothing moves south of the Litani River without Hezbollah's permission.

The head of Lebanese Hezbollah last month issued a direct threat against America.

On Aug. 3, missiles were fired at a U.S. position near Shaddadi, Syria.

Later that month, Israeli security forces intercepted a smuggling attempt from Jordan into the West Bank, close to Ashdot Yaacov in the Jordan Valley. The smugglers were carrying Iranian-made explosives, presumably destined for the newly emergent militia groups of the northern West Bank. Because of those organizations' efforts, 2023 has seen the highest rates of Palestinian and Israeli fatalities since the end of the Second Intifada in 2004.

The unity of the arenas also encompasses illicit commerce. The ordnance intercepted at Ashdot Yaacov almost certainly entered Jordan from Syria. It would have been moved along the same smuggling routes that Bashar al-Assad, Hezbollah and the Iranian Revolutionary Guard Corps use to traffic Captagon, the amphetamine-type stimulant that helps finance their campaigns.

There are more overt indications of growing coordination. On Sept. 1, Mr. Nasrallah entertained Palestinian terrorist leaders in the underground Beirut bunker where he has dwelt since 2006. Ziad Nakhaleh, Palestinian Islamic Jihad's secretary-general, was there. Appearing for Hamas was Saleh al-Arouri, who oversees that movement's efforts to light up the West Bank.

Gilad Erdan, Israel's ambassador to the United Nations, suggested recently that his country is closer to military action against Hezbollah than at any time since the 2006 war. The U.S., meanwhile, continues its outreach to Tehran. Iran is waging a multifront military and political struggle—the unity of the arenas. Its enemies are divided.

Mr. Spyer is director of research at the Middle East Forum and director of the Middle East Center for Reporting and Analysis. He is author of "Days of the Fall: A Reporter's Journey in the Syria and Iraq Wars."

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Notable & Quotable: Newsom

Christopher Cadelago reporting for Politico, Sept. 10:

Gov. Gavin Newsom said criticism of California's tough Covid-19 restrictions was valid and he would have taken an entirely different approach, given what he knows now about the pandemic.

"I think we would've done everything differently," Newsom said in a taped interview set to air on NBC's "Meet the Press" Sunday. . . .

Despite considerable prodding from Todd on specifics where Newsom would have made different decisions in his hard-hit state, including the protracted closure of in-person learning at schools, the governor largely kept to generalities. . . .

Newsom noted the varied approaches to the virus based on region, and industry, but he also argued there "were few states that didn't go on aggressive lockdowns, including Florida's Ron DeSantis."

At the same time, Newsom bemoaned the partisan nature of the pandemic and how every decision by he [sic] and counterparts in other states and the White House were all viewed through a partisan prism.

WORLD NEWS

Russia Stages a Disputed Election

Kyiv, Western allies call vote in occupied areas a sham aimed at firming up control

By Matthew Luxmoore

ALEXANDER ERMOCHENKO/REUTERS

A voter in Donetsk, Russian-controlled Ukraine, on Saturday cast a ballot during local elections that have drawn criticism.

Russia is staging elections in occupied Ukrainian territory that Kyiv and its Western allies have condemned as a sham, with candidates including mobilized Russian soldiers, a Kremlin loyalist and a Russian official under U.S. sanctions.

The votes, part of local elections that have played out across Russia and were to end on Sunday, are an effort to create the illusion of democracy in areas Moscow only partially controls but claims to have annexed a year ago. It contrasts with the increasingly transparent votes held in Ukraine's democracy since the country gained independence more than 30 years ago.

The results of the votes in the Kherson, Zaporizhzhia, Donetsk and Luhansk regions are likely a foregone conclusion, with Russian state-backed pollsters predicting a resounding victory for candidates from United Russia, the ruling party in Russia that backs President Vladimir Putin. Similarly, gubernatorial elections that also were to end on Sunday are expected to produce winners approved by the Kremlin.

"Russia's sham elections in occupied areas of Ukraine are illegitimate," Secretary of State Antony Blinken said recently. The Russian Embassy in the U.S. responded by saying America shouldn't interfere in the affairs of foreign countries.

Russian-installed officials in two of the regions announced a public holiday on Friday to maximize turnout.

While they have said the ballots are free and fair, footage posted by Ukrainian officials shows voting slips being filled out on the trunks of cars, inside the bedrooms of disabled or elderly residents, and on park benches.

Ukraine is seeking to interfere with the elections. Its armed forces have posted footage of service members launching drones over occupied towns to drop packets of leaflets urging residents to ignore the votes.

"Our first elections as part of a great and united Russia are a genuine celebration!" Vladimir Rogov, a Russian-installed official in the Zaporizhzhia region, wrote on Telegram. Rogov said election officials were personally visiting voters across the region, carrying ballot boxes.

Over the past year, Russia has tightened its grip on the occupied areas. Crackdowns against supporters of Ukraine have forced thousands to flee. Many residents have taken Russian passports, often under duress. Schools have been issued Russian curricula. Children have joined Defense Ministry youth groups. And the hryvnia, Ukraine's currency, has been replaced by the ruble.

"They want to legitimize this occupation," said Elina Beketova, a Ukrainian fellow with the Democracy Fellowship program at the Center for European Policy Analysis who wrote recent reports about the staged votes. "To integrate these territories into the legal and political borders of Russia."

Russia is losing ground in some of the four regions, as Ukraine claws back territory in Zaporizhzhia and Donetsk as part of its counteroffensive. Last week, the Russian-installed governor of the Zaporizhzhia region confirmed that the Russian army had withdrawn from a village there after it was captured by Ukraine's forces. Russian-backed officials claim that more than a week of voting gives everyone the chance to cast ballots despite the fighting.

But the hostilities have caused casualties among the organizers of the ballots. On Thursday, Russian-installed members of the electoral commission in the Donetsk region were wounded in an artillery attack on the occupied town of Volnovakha, TASS reported.

Kyiv Expects to Use F-16s in Winter Combat

By Gordon Lubold And Nancy A. Youssef

WASHINGTON—Kyiv's military leaders say they could have Ukrainian pilots flying F-16s in combat as early as this winter, a more optimistic timeline than previous estimates, and one that could give Ukrainian forces a significant new capability.

Based on initial assessments, Ukrainian officials now believe that with American training expected to begin this month or next, a handful of Ukrainian fighter pilots could be ready to go as early as February, Ukrainian and U.S. officials said. The U.S. could train experienced, English-proficient Ukrainian pilots in as little as five months, a group of likely fewer than 10 pilots for now, according to Ukrainian assessments.

Neither Russia nor Ukraine has achieved air superiority because each side has enough surface-to-air missiles to thwart the other's jets. The addition of the American F-16s, older but relatively sophisticated jet fighters, could give the Ukrainians more effective capability to fight Russian jets and attack targets on the ground.

This, some experts and officials believe, could ultimately bring the Ukrainians closer to the kind of combat that is a mainstay of U.S. military strategy, which integrates infantry, armor, artillery and air power to destroy Russian air and ground-based defenses, penetrate several defensive lines and reclaim territory.

U.S. officials, meanwhile, have been more conservative in their timeline of getting the F-16s ready for combat. They stress the large maintenance and logistical force needed to keep the advanced jets in the fight in addition to the training burden. Even experienced pilots trained on MiG-29s must learn the Western equipment, including weapons and communications systems. U.S. officials have said Ukrainians wouldn't be ready to fly F-16s in combat until at least mid-2024.

"To get proficient in the F-16, that's not going to happen overnight," Gen. James Hecker, the top Air Force commander in Europe, told reporters in August. To get "a couple squadrons of F-16s, and to get their readiness high enough, and their proficiency high enough...could be four or five years down the road."

Throughout its war with Russia, Ukraine has requested advanced weaponry from the U.S. and Western allies, but often has been told certain capabilities are inappropriate or unnecessary for the fight. In many cases, such as with Abrams tanks, Stinger shoulder-launched antiaircraft missiles, and cluster munitions, the U.S. ultimately provided the weapons.

Dozens of Ukrainian pilots are set to begin English-language training at the Defense Language Institute English Language Center at Lackland Air Force Base in San Antonio within weeks. Pilots who already speak English will go directly to flight training at Morris Air National Guard Base in Tucson, Ariz., home of the 162nd Wing, a U.S. defense official said.

Kyiv has been asking for F-16 jet fighters and training for its pilots to fly them since last year. U.S. officials had earlier rebuffed the request, in part because they didn't think the jets would have a decisive impact while Ukraine is pursuing a counteroffensive against dug-in Russian positions.

The U.S. agreed in August to allow Denmark and the Netherlands to train Ukrainian pilots. But those two countries' capacity is limited, so the U.S. agreed in August to train Ukrainian pilots in the U.S., too. Greece and Romania have also agreed to train F-16 pilots.

WORLD WATCH

TURKEY

Rescue Under Way For Cave Explorer

An international rescue mission is under way to save an experienced explorer stuck in one of Turkey's deepest cave systems.

Mark Dickey, an American cave explorer, was trapped more than 3,400 feet below the surface in Turkey's Morca cave. Dickey developed life-threatening bleeding and was unable to leave the cave.

His condition has improved after receiving fluids and fresh blood from a medical team that reached him, according to rescue groups. With Dickey in stable condition, rescue crews began the ascent to safety Saturday.

—Jennifer Calfas

EUROPE

Hotter Summers Kill Thousands

Summer temperatures in Europe are rising faster than efforts to change European lifestyles and cope with the heat—a major cause of death on the continent.

Many households, offices and nursing homes in Europe lack air conditioning. A rash of worker deaths is pushing some governments to restrict outdoor labor when temperatures soar. More than 5,600 people died of heat-related causes this summer across Spain, Italy and Germany, as temperatures neared record highs in many parts of Europe, according to preliminary data from those countries.

—Matthew Dalton

ARGENTINA

Judge Orders $16 Billion Payment

A federal judge in New York on Friday ordered cash-strapped Argentina to pay about $16 billion over the government's decision to seize majority control of the energy company YPF in 2012.

Following a trial, U.S. District Judge Loretta Preska ruled in March that two YPF shareholders were owed compensation for the unlawful expropriation.

On Friday, the court set the parameters for calculating the damages and interest Argentina owed to the litigation financier Burford Capital, which had taken on a lawsuit on behalf of the investors.

—Kejal Vyas

SPAIN

Soccer Chief Resigns After Kiss

The president of the Spanish soccer federation, Luis Rubiales, submitted his resignation on Sunday, three weeks after he forcibly kissed a member of Spain's women's national team while celebrating its World Cup victory.

"Between the suspension from FIFA and the rest of the proceedings open against me, it has become clear that I cannot return to my functions," Rubiales wrote.

Rubiales, 46, had been a divisive figure in Spanish women's soccer long before he grabbed the face of Jenni Hermoso and kissed her after the final. Hermoso has said the kiss wasn't consensual.

—Joshua Robinson

UMIT BEKTAS/REUTERS

Rescuers descend to the entrance of Turkey's Morca cave in the operation to reach Mark Dickey, an American cave explorer, who was trapped more than 3,400 feet below the surface.

Saudis, U.S. Speak On Securing Key Metals

The U.S. and Saudi Arabia are in talks to secure metals in Africa needed for both countries' energy transitions, as the White House tries to curb China's dominance in the electric-vehicle supply chain and the kingdom looks to buy $15 billion in global mining stakes, people with knowledge of the talks said.

By Summer Said, Julie Steinberg and Stephen Kalin

Any agreement could entail Saudi Arabia giving the U.S. a boost in its attempt to play catch-up with China in the global race for cobalt, lithium and other metals that are processed into rechargeable lithium-ion batteries to power electric cars, laptops and smartphones. Chinese companies refine three-quarters of the world's cobalt supply and produce about 70% of the world's lithium-ion batteries, raising concerns in the West about reliance on Beijing.

If completed, the U.S.-Saudi partnership would mark a positive step for two countries that have had strained relations since President Biden took office and promised to make the Gulf kingdom a "pariah" for its human-rights record. Since Russia's invasion of Ukraine, the U.S. has been critical of Saudi Arabia's alignment with Moscow to keep oil prices high and wary of its embrace of China, though Washington-Riyadh relations have begun to thaw, with increasing commercial cooperation.

Under the ideas being discussed with the Biden administration, a state-backed Saudi venture would buy stakes in mining assets in African countries such as the Democratic Republic of Congo, Guinea and Namibia, some of the people said. U.S. companies would then have rights to buy some of the production from those Saudi-owned stakes, the people said.

U.S. automakers have long sought better access to critical minerals for lithium-ion batteries and increasingly have gotten into the mining business. But much of the world's cobalt lies in difficult business environments such as Congo, where Western companies' business practices have resulted in Justice Department allegations of bribery.

Saudi Arabia would likely have more flexibility to invest in countries where corruption is rampant, insulating U.S. companies from that risk. The kingdom is also less bound by environmental, social and governance concerns that crimp other investors' ability to deploy capital there.

The effort would jump-start plans by Saudi Arabia, long the world's dominant oil power, to delve into the world of mining, digging for its own minerals and metals at home and buying up stakes in projects around the world. It is part of an economic diversification effort that involves building its own EV industry, creating massive solar farms and setting up high-tech industries such as artificial intelligence.

The White House is seeking the financial backing of other sovereign-wealth funds in the region, but talks with Saudi Arabia have progressed the farthest, people familiar with the matter said.

The mining conversations are part of a larger initiative by the Group of Seven countries to invest in global infrastructure projects in developing countries, some of the people said. The White House on Saturday said it would support the development of a corridor connecting Congo and Zambia to global markets via Angola's Port of Lobito, and announced an intercontinental economic corridor linking India to Europe through Saudi Arabia.

China has built up its position in the EV supply chain primarily by buying up production in African countries like Congo. China's main advantage has been its companies' willingness to outbid other firms, and Saudi Arabia is willing to do the same, some of the people said.

BUSINESS & FINANCE

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Last Week: **S&P** 4457.49 ▼1.29% **S&P FIN** ▼1.09% **S&P IT** ▼2.34% **DJ TRANS** ▼3.96% **WSJ $ IDX** ▲0.87% **2-YR. TREAS.** yield 4.982% **NIKKEI** 32606.84 ▼0.32% **See more at WSJ.com/Markets**

NATE SMALLWOOD FOR THE WALL STREET JOURNAL

Drilling work at a Range Resources site in Pennsylvania. The natural-gas producer aims to build a well 25,000 feet in length.

U.S. Drillers Target Longer Wells

By David Uberti

Elite runners long chased the 4-minute mile. Major-league sluggers competed for decades to beat Babe Ruth's 60 home runs. For Dennis Degner, the next milestone is 25,000 feet.

Oil-and-gas wells stretched just a fraction of that length laterally underground in 2010, when the now-chief executive of **Range Resources** joined the natural-gas producer. Back then, innovations in horizontal drilling and fracking were just beginning to transform global energy markets.

Now, with the end of the shale boom in sight, Wall Street is pressuring companies to cut spending and pony up returns to boost their share prices. Growth at all costs is out. The slow grind of achieving efficiency—alongside the office downgrades and recruiting struggles that come with it—is in.

The maturing market has pushed oil-and-gas producers to idle drilling rigs and bore fewer—but longer—wells. In Pennsylvania, a nearly 22,000-foot Range Resources gas well has put Degner's target within striking distance.

As Wall Street becomes more skeptical of the U.S. shale patch's growth prospects, executives are trying to win over stock pickers and potential acquirers by trumpeting the contiguous property leases and operational prowess needed to drill longer wells.

Improvements that range from souped-up drilling rigs to specialized drill bits to technologies that provide better underground steering have helped firms recently pump out better-than-expected production—and dividends and buybacks for shareholders. The energy sector has been the S&P 500's best performer over the past three months, outpacing even the information-technology and communications-services industries.

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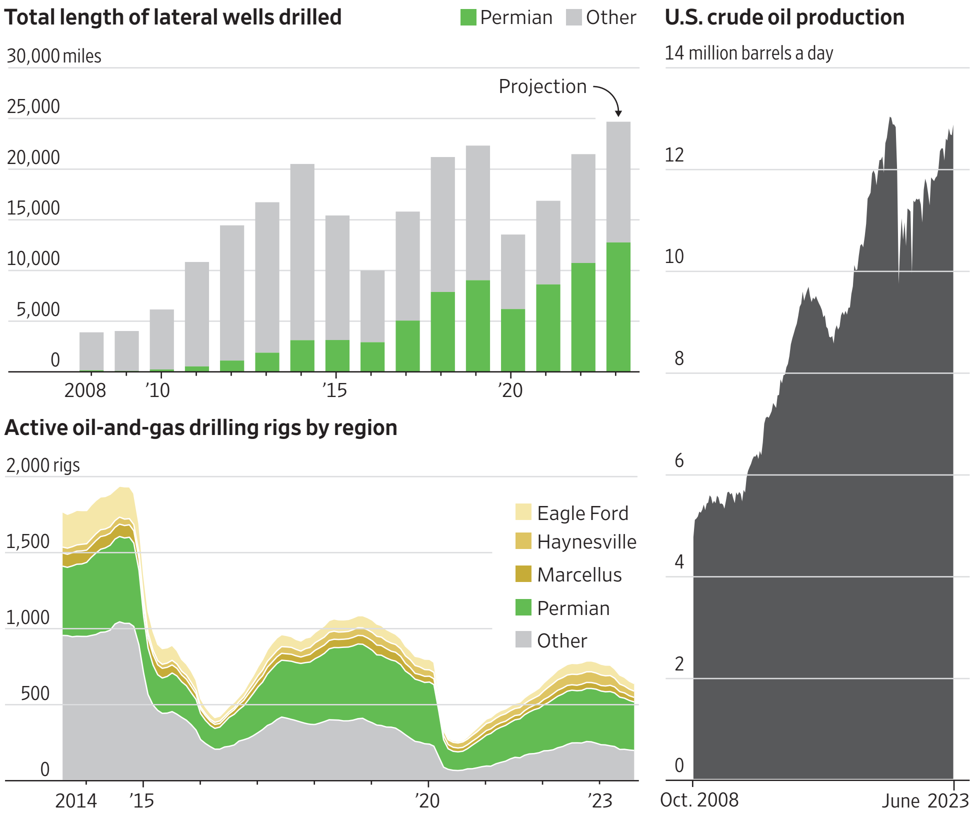

Sources: Rystad Energy (wells); Baker Hughes (rigs); Energy Dept. (production)

Instacart IPO Eyes Valuation Of $9 Billion

Target is down from $39 billion in 2021; roadshow to start as early as Monday

By Corrie Driebusch and Jaewon Kang

Instacart is targeting a valuation of roughly $8.6 billion to $9.3 billion in its imminent IPO, a fraction of what the grocery-delivery company was previously worth, in the latest sign of diminished investor enthusiasm for private growth companies.

Instacart is set to start marketing its long-anticipated initial public offering to investors as early as Monday and plans to disclose the expected valuation range then, according to people familiar with the matter. The San Francisco company's plans could still change, and it is possible the range could move around as the company receives feedback during the roadshow.

The shares are expected to begin trading the following week on the Nasdaq exchange under the ticker CART.

The expected valuation, on a fully diluted basis, is a far cry from the roughly $39 billion Instacart garnered in a fundraising round in 2021, the year it started laying the groundwork for a public listing. Since then, valuations of high-growth startups have fallen as interest rates rose, making riskier investments less attractive.

The company's stock-market debut is a bellwether for the IPO market, muted for much of this year and last, and it will be closely watched by investors, bankers, lawyers and traders. It will follow the highly anticipated offering by British chip designer Arm Ltd., whose shares are expected to debut this week in the biggest U.S. IPO of the year. Marketing-automation platform **Klaviyo** is also set to launch its roadshow this week.

Founded in 2012, Instacart sends couriers to grocery

Please turn to page B2

Hostess Nears Sale To J.M. Smucker

By Lauren Thomas and Jesse Newman

Twinkies owner **Hostess Brands** is closing in on a sale to **J.M. Smucker**, a move that would marry two big names in snacks.

A deal, likely valued in the neighborhood of $4 billion, could be announced as soon as Monday, assuming the talks don't hit a last-minute snag, according to people familiar with the matter.

A sale would cap off a remarkable turnaround for Hostess. The company has been through two Chapter 11 bankruptcies. Two investment firms bought Hostess out of liquidation a decade ago, returning Twinkies to store shelves after an eight-month absence.

Hostess then returned to the public markets in November 2016, under the ticker symbol TWNK. Its market value stands at about $3.7 billion, boosted by a Reuters report last month that the company was exploring a sale.

Based in Lenexa, Kan., Hostess was founded in 1930 and owns several brands in addition to Twinkies, including Ho-Hos and Ding Dongs.

In recent years, the company has doubled down on America's growing appetite for snacks, rolling out new products including Bouncers, golf-ball-size versions of Twinkies, Ding Dongs and Donettes and expanding into sugar-free treats through the acquisition of Voortman Cookies.

Please turn to page B2

Meta Is Developing Powerful AI System

By Deepa Seetharaman and Tom Dotan

Meta Platforms is setting its sights on OpenAI.

The parent of Facebook and Instagram is working on a new artificial-intelligence system intended to be as powerful as the most advanced model offered by OpenAI, the Microsoft-backed startup that created **ChatGPT**, according to people familiar with the matter. Meta aims for its new AI model, which it hopes to be ready next year, to be several times more powerful than the one it released just two months ago, dubbed Llama 2.

The planned system, details of which could change, would help other companies to build services that produce sophisticated text, analysis and other output. It is the work of a group formed early this year by Meta Chief Executive Mark Zuckerberg to accelerate development of generative AI tools that can produce humanlike expressions. Meta expects to start training the new AI system, known as a large language model, in early 2024, some of the people said.

Plans for the new model, which haven't previously been reported, are part of Zuckerberg's effort to assert Meta as a major force in the AI world after it fell behind rivals. Com-

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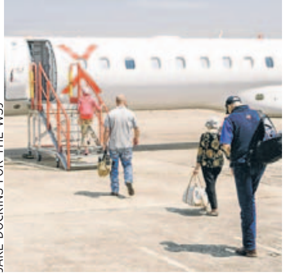

JAKE DOCKINS FOR THE WSJ

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An upstart carrier that offers a private-jet-like experience draws fierce opposition. **B3**

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A new Musk biography paints a complicated picture of his life and business tactics. **B4**

Carmakers, UAW in Profit Tug of War

By Mike Colias and Nora Eckert

The Detroit automakers are riding a multiyear run of soaring profits. How that cash pile should be deployed is at the heart of a looming showdown with the United Auto Workers union, which is threatening to strike Friday.

General Motors, **Ford Motor** and Jeep maker **Stellantis** are negotiating new four-year labor contracts with the UAW for about 146,000 U.S. factory workers.

The car companies say they need the money to fund their switch to electric vehicles; the union says its workers deserve more cash because of high inflation, their work during the pandemic and concessions made in past negotiations to help the automakers survive darker times.

Weeks of intense talks and combative public volleys have yet to produce a deal for any of the automakers. Union leaders say members are prepared to hit picket lines at any company that hasn't reached a tentative labor agreement after the current contracts expire at 11:59 p.m. Thursday.

The talks in Detroit are exposing an uncomfortable tension between the automakers' recent profit streak and car executives' warnings of a steep cost curve ahead as they race to produce more EVs. Automakers' early EV models generate smaller profits than their internal-combustion counterparts and often are money losers.

Auto executives worry that absorbing a big labor-cost increase would put them on unequal footing with rivals, especially as they spend money to build out their electric offerings and close the gap with EV leader Tesla.

In the short run, a factory walkout would threaten to disrupt Detroit's rollout of several new EV models and potentially drain billions of dollars in profits. It could also further narrow

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BILL PUGLIANO/GETTY IMAGES

A woman supports UAW at the Detroit Labor Day Parade

State Pension Chief's Pay Dwarfs Governor's

By Heather Gillers

Wisconsin last year paid Edwin Denson more than $1.2 million for managing the retirement savings of state workers, including teachers and firefighters.

That is eight times the governor's salary, making him the state's highest-paid official in data excluding employees of the state's courts, colleges and legislature. About 30 of the pension fund's investment managers also each earned more than $500,000, including bonuses that have been awarded year after year—even when Wisconsin underperforms similar-size funds.

The fund's performance in recent years has been middle of the road. Wisconsin's five-year performance ranked fifth among large pension funds relative to industry medians.

The generous compensation for Wisconsin's pension managers isn't unusual. Investing worker retirement money has long been one of the clearest routes to a big public paycheck in some states, short of coaching football. Pension-fund managers can regularly reap big pay for meeting performance targets—ones set by fund trustees. That is despite research showing many funds would do better with a set-it-and-forget-it portfolio of stocks and bonds.

The State of Wisconsin Investment Board, the agency that invests $131 billion in state pension funds along with some other state money, "has a pay-for-performance approach that keeps its employees working in the best interest of the plan," Denson said.

More than 97% of investment board employees eligible for bonuses have earned them every year since 2011, according to state auditors. Retired teachers, firefighters and other public workers in Wisconsin have faced more ups and downs. That is because of a rule that reduces pension checks in down markets to avoid draining the

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BUSINESS & FINANCE

Automakers, UAW in Tug of War

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selection on dealership lots. Vehicle inventories are finally rebounding after years of pandemic-related shortages, which left many buyers frustrated and paying higher prices for new cars.

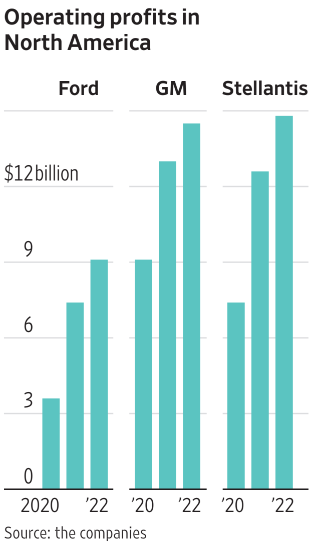
The industry's last major U.S. strike was in 2019, when 46,000 workers walked out of GM's factories for 40 days. The work stoppage erased about $3.6 billion from the company's bottom line.

UAW leaders see this round of negotiations as a prime chance to recoup significant concessions made over the past two decades, especially around the 2007-09 financial crisis. The union gave up lucrative job-security guarantees and retiree benefits as the automakers sustained heavy losses, with both GM and Stellantis-predecessor Chrysler eventually entering bankruptcy.

The UAW has an $825 million strike fund to help offset members' lost wages during a strike.

CARLOS OSORIO/ASSOCIATED PRESS

Unions representing workers in other industries—including at American Airlines and United Parcel Service—have landed sizable wage increases recently, adding momentum for the UAW's ambitious demands. U.S. workers have also gained leverage during the tight labor market of the past few years, and a period of record inflation has left many demanding and receiving higher pay.



Union leaders and rank-and-file workers say the costs involved in the EV transition aren't an excuse to skimp on worker raises.

"It's not just about money. It's so much more than this," said Elwanza Guess, a worker at a Stellantis plant in Michigan, during a practice strike last month. "The companies, they have taken, taken, taken, but not appreciated the workers that are helping them get there."

UAW President Shawn Fain has repeated his mantra "record profits mean record contracts," and points to inflationary pressures that have stung workers' pocketbooks at a time when auto CEOs have been granted raises.

Typically by this point in the negotiation process, union leaders would be focused on reaching a deal with one company. But UAW negotiators continue to bargain with all three, rather than targeting one, raising the possibility that the union could strike more than one of the companies if they can't reach deals by the late-Thursday deadlines.

A strike at all three companies would send union workers at dozens of U.S. factories to the picket lines, a work stoppage without much precedent in automotive history.

Even a 10-day walkout on this scale could lead to $5 billion in lost economic activity for the auto industry, according to an analysis by Michigan-based Anderson Economic Group.

The UAW has an $825 million strike fund to help offset members' lost wages during a strike. That amount is enough to cover a roughly two-month walkout at all three automakers, analysts estimate.

The union could also take a more targeted approach, striking at key transmission or engine plants that would cut off supplies of components to other assembly plants. It could also choose to strike just one company, as it did in the last round of talks.

UAW leaders are pressing for at least a 40% wage increase across the four years of the contracts. They are also demanding 40 hours of pay for a 32-hour workweek, restoration of retiree medical benefits and a crackdown on the use of temporary workers.

Instacart Seeking $9 Billion

Continued from page B1
stores to pick out and deliver orders to customers' homes. The company has raised more than $2 billion in venture-capital funding over the years and has long said it expected to go public.

Instacart filed confidentially to do so last year and had planned to list its shares by the end of 2022. It pulled back on those plans last fall, pointing to tumultuous market conditions.

The company disclosed its financials last month, saying it generated $242 million in profit for the first six months of the year, compared with a $74 million net loss a year earlier.

Instacart's revenue increased about 31% to $1.5 billion, though the growth of its core delivery business is slowing, with the number of orders remaining relatively flat over the past year. Revenue from advertising and other businesses rose 24% in the period.

Instacart got a boost to its business in 2020 when consumers and retailers turned to the company as the pandemic spread across the country and people skipped in-person shopping. Instacart took advantage of the demand surge, raising multiple rounds of funding.

Fidji Simo, a former Meta Platforms executive, joined the company in 2021 as chief executive and has focused on expanding Instacart's core delivery business while diversifying into other areas such as advertising and technology services like websites and smart shopping carts.

Instacart doesn't plan to raise much money for itself in the offering, people familiar with the matter said. Instead, much of the selling will be by employees and other early stakeholders.

—Berber Jin contributed to this article.

Hostess, Smucker Near Deal

Continued from page B1
Hostess' sales topped $1.3 billion in 2022, up from $1.1 billion the prior year as it raised prices on some of its products. The company's stock has more than doubled in the past five years, far outpacing the S&P 500 and other food companies.

Besides its signature jellies, Ohio-based Smucker's brands include Jif peanut butter and Folgers coffee, Milk-Bone dog treats and frozen, crustless sandwiches known as Uncrustables that have lately gained in popularity.

In August, Smucker reported comparable sales for the quarter ended July 31 rose 21% from the prior year, driven by higher prices and sales volumes.

Smucker has a history of doing deals to expand its portfolio and gain new pockets of growth. Its foray into pet food began in 2015 with a $3.2 billion deal for Big Heart Pet Brands, the maker of Milk-Bone dog treats and Meow Mix cat food. It acquired Ainsworth Pet Nutrition for $1.7 billion in 2018. Recently, Smucker has gotten a boost from strong coffee demand. Smucker said at an conference last week it would be interested in scooping up new businesses, potentially in coffee, pet snacks or new categories.

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JSX aims to offer fliers an experience similar to flying on a private jet. Chief Executive Alex Wilcox, left, says that safety concerns critics have cited are unfounded and that changing the regulatory scheme could be fatal to JSX's business model.

JAKE DOCKINS FOR THE WALL STREET JOURNAL (2)

Carrier JSX Is at Hub of Flight Fight

American Airlines and some unions say firm is exploiting regulatory loophole

By Alison Sider

Some fliers can show up 20 minutes before a flight and slide right into a roomy leather seat. No security lines and no middle seats. Free cocktails flow. An upstart air carrier called JSX offers that jet-set experience for prices that are often cheaper than airline first-class tickets. It has attracted fierce opposition.

JSX is small. It says it operated 30,000 flights last year, less than the number **American Airlines**, the world's largest airline, flies in a week. But it is expanding quickly and gaining traction.

JSX is now at the center of a roiling debate that touches on pilot training standards and safety. It has some airlines in its corner, but others—including American Airlines and several aviation unions—say JSX is exploiting a regulatory loophole that needs to be shut.

Arguments that JSX and a growing number of similar carriers need to adhere to the same rules as bigger airlines appear to have gained traction with the Federal Aviation Administration, which signaled in August that it would consider new regulations.

JSX Chief Executive Alex Wilcox said safety concerns are unfounded. Rivals just can't handle a little competition, he said, and changing the regulatory scheme could be fatal to JSX's business model. "We built a better mousetrap. And the people with the old mousetraps don't like that," he said.

JSX isn't a normal airline; it can fly out of the same terminals as private jets, where its screening process insulates fliers from traditional airport security checkpoints.

"I've got small children. Not having to go to the airport and wait 1½ to two hours is a big selling point for us," said Zane Wilson, who started flying JSX this year.

JSX can hire pilots who are too old to fly for commercial airlines or who don't have the requisite 1,500 hours of flying experience, helping it avoid a labor chokepoint that has forced other airlines to cut back on flights to some small markets.

Wilcox, an early **JetBlue Airways** employee, bet that there was a way to make private-jet-like service more widely available using larger planes. Security protocols after the 9/11 terrorist attacks had dented demand for short flights. Wilcox believed that customers would still fly quick hops if they didn't have to deal with the airport hassle.

In 2016, the carrier got government approval to operate commuter flights as a "public charter," which would allow it to offer regular service on 30-seat planes to and from private terminals. It had given older **Embraer** regional jets a makeover, stripping out overhead bins for a roomier feel and adding Wi-Fi and power outlets.

Critics of JSX say the smaller carrier has for too long been allowed to operate under more-lenient safety and security rules. Those rules are meant for on-demand charter providers or small commuter airlines that maintain flights to small cities that might otherwise lose service, union and industry officials say, but JSX offers flights in big markets that passengers can book as they would on any other airline.

Wilcox said JSX operates under longstanding rules that haven't been controversial until now.

American Airlines wrote to the Transportation Department in May that JSX's business model "degrades our nation's aviation system and distorts competition." **Southwest Airlines** said in a statement it supports the position taken by industry unions that there needs to be "one level of safety for anyone flying on a scheduled passenger carrier."

Regulators have become concerned as carriers operating scheduled charter flights have expanded. There are tens of thousands more of those flights versus a decade ago, according to projections that carriers have submitted to the Transportation Department. The FAA in an Aug. 24 notice said some public charter carriers have become complicated, high-frequency operators that are "essentially indistinguishable" from regular airlines. It said regulatory changes might be needed to ensure their safety.

JSX has voluntarily adopted many of the programs bigger airlines have for collecting and analyzing safety data and reporting issues, and its screening process has been vetted by the Transportation Security Administration, Wilcox said. JetBlue and **United Airlines** have become investors and put customers on JSX flights through code-share agreements.

JetBlue told the Transportation Department in June that it believes American and labor unions are engaged in "legislative and regulatory subterfuge with the goal of ending JSX's business model."

Tech's Middle Managers Feel Squeeze as Easy Days End

By Katherine Bindley

Some managers in tech are experiencing—many for the first time—just how tough it is to be caught in the middle.

The past two years in tech have been full of change and disruption. The global pandemic upended how people work and spurred a sustained period of rapid growth and hiring as people moved online. That was followed by an industry downturn, layoffs and the whiplash of having to do more with less, all amid the continued tug of war over returning to the office.

The recent turmoil is a first for a generation of middle managers who came to their roles during a decade of ultralow interest rates that powered an unprecedented boom for technology companies. They fought for talent, wooing workers with generous compensation and a range of benefits. Managers were tasked with keeping their teams happy and widespread layoffs were unheard of.

Sherveen Mashayekhi, chief executive of Free Agency, a startup that advises and places tech workers, said he didn't get many complaints from middle managers in tech or hear them expressing much anxiety about their jobs until recently.

As the layer between senior leadership and rank-and-file employees, middle managers are responsible for communicating strategy and policy down the line, and sending concerns up. They have a lot of responsibility but not a lot of power, and their jobs get harder amid change or disruption. "They're very much not used to this environment," Mashayekhi said.

For a long time, tech managers in those intermediate roles who were unhappy could find new jobs quickly and usually got a pay increase. The recent turmoil means that middle managers are more willing to go back to individual contributor roles where they don't have any direct reports. In some cases, they are willing to take what is considered a step back in their careers, even if it means a reduction in compensation. Others want to make a change and are hoping things will be different elsewhere.

Ben Kruger worked at Google as a senior e-commerce growth consultant until this past spring. He had no interest in becoming a middle manager. He didn't want a job that required what are known as soft skills—in short, interpersonal and communication skills. He said he noticed managers seemed to have no control over their days and had a lot of meetings, and he had seen during the layoffs how little power even the people three levels above him actually had.

Kruger tried to remain an individual contributor by coming up with a more senior role without taking on any direct reports. "There was no way to move up without moving into middle management," he said.

He had the option to take on a handful of reports but instead took a job as a chief marketing officer at Event Tickets Center, a resale marketplace for tickets, which has 28 employees and no middle managers.

Middle management is still attractive to some candidates: It can pave the way for advancement within a company and the roles tend to pay better.

Recent research from management-consulting firm McKinsey & Co. found that on average, middle managers are spending less than 30% of their time managing. Much of their other time is spent in meetings, doing their own work and on administrative tasks.

Beyond the changing nature of the role are the ripple effects of layoffs: Middle managers are often the layer that companies make cuts from when they are reducing head count.

In March, when Mark Zuckerberg outlined **Meta Platforms**' strategy for its year of efficiency, he said it would include flattening, or removing several layers of management. Some managers were laid off, and others became employees without supervisory responsibilities. Zuckerberg noted that at the time many managers only had a few direct reports and that going forward "it makes more sense to fully utilize each manager's capacity and defragment layers as much as possible."

Around 41% of middle managers are burned out, according to a July research report from Slack, which surveyed 10,000 workers.

Nikki Patterson, who spent 11 years at Google and now works as a coach to employees of large tech companies, most of whom are middle managers, said she is noticing the middle managers she is working with don't think their situations are sustainable, and those on track to become managers are having second thoughts.

"Across the board there is this sense of exhausted," Patterson said. "When there's a lack of clarity coming from above you because of all the uncertainty and movement, it makes it really, really challenging."

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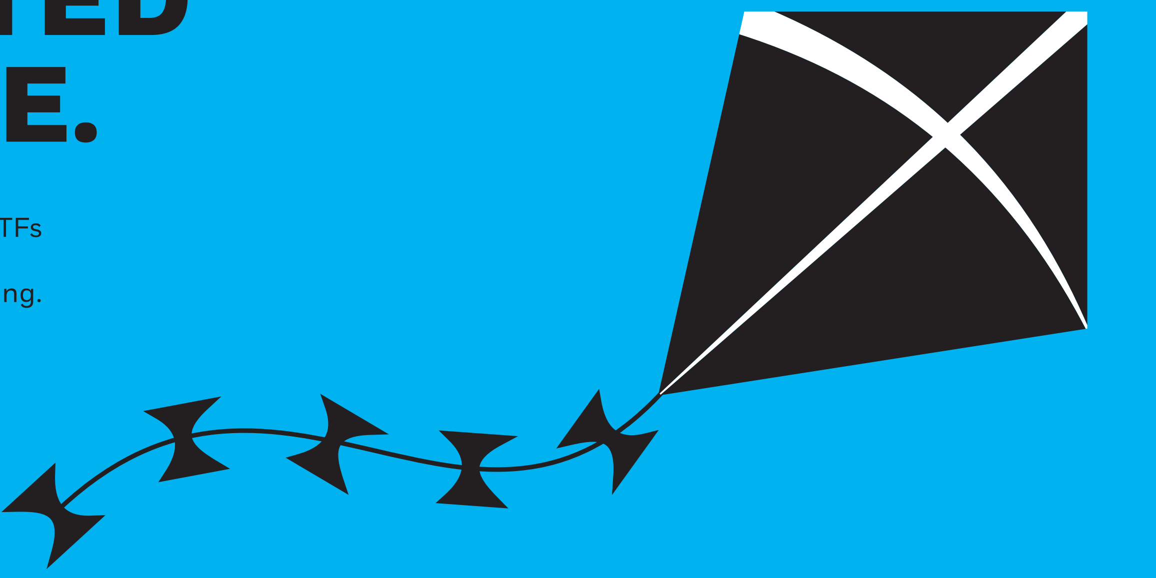

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Books Put Tech Notables in the Spotlight

Publishers push pair of titles on business celebrities from marquee authors

By Jeffrey A. Trachtenberg

Biographies of tech moguls Elon Musk and Sam Bankman-Fried from two big-name writers are among the most anticipated titles this fall in the publishing world, a rare instance of business books taking center stage.

Walter Isaacson's "Elon Musk," which comes out Tuesday, is the culmination of almost three years of reporting and writing, the author said in an interview.

Michael Lewis's biography of crypto entrepreneur Bankman-Fried, "Going Infinite: The Rise and Fall of a New Tycoon," goes on sale Oct. 3.

"It's highly unusual to have two blockbuster business titles in the same fall season," said Terry Finley, chief executive of **Books-A-Million**, the bookstore chain based in Birmingham, Ala. "But I can't imagine two more interesting characters, with Bankman-Fried the symbol of a new financial phenomenon and Musk being Musk, a very polarizing figure."

The subjects of both coming books are lightning rods for different reasons. Musk, who purchased Twitter last year and recently rebranded it as X, has revamped the platform with an approach his boosters say is refreshing and his critics say is erratic.

Bankman-Fried is a celebrity entrepreneur and high-profile political donor who is facing criminal-fraud charges related to the collapse of his company, cryptocurrency exchange FTX. A federal judge last month sent him to jail, pending trial.

Both books were in motion before each man's story took a dramatic turn. Lewis said in an interview that he spent the better part of a year trailing Bankman-Fried, whose personal fortune was once estimated at nearly $23 billion.

Bankman-Fried, commonly referred to as SBF, was regarded by many—investors, politicians, celebrities—as a new-age tycoon with a compelling notion of a future financial system built around digital assets.

A book excerpt in New York magazine portrayed Lewis as highly impressed by Bankman-Fried. Asked about his assessment of the young entrepreneur at the start of his project, Lewis said, "I was just watching without any strong view."

In the course of Lewis's work on the book, FTX collapsed and filed for bankruptcy protection in November. Bankman-Fried was subsequently arrested in the

KENNY WASSUS/THE WALL STREET JOURNAL

Sam Bankman-Fried is facing fraud charges in FTX's collapse.

Bahamas after the U.S. filed a variety of criminal charges against him. Lewis started to write his manuscript in January, after Bankman-Fried was charged. Bankman-Fried has pleaded not guilty.

Publisher W.W. Norton & Co. said it is printing 500,000 copies—its biggest print run of the year—of the Bankman-Fried book, "Going Infinite." Three of Lewis's earlier titles were made into movies: "The Blind Side" about football player Michael Oher; "The Big Short," an inside look at the 2007-08 financial crisis; and "Moneyball," which focused on the use of baseball analytics.

Isaacson, known for biographies of such disparate figures as Benjamin Franklin, Albert Einstein and Steve Jobs, described his time with Musk, who is also chief executive of electric-vehicle maker **Tesla** and rocket company **SpaceX**, as a "fascinating ride filled with amazing stories." That Musk acquired Twitter in 2022 might give the book extra lift.

A second Musk-related title, Ben Mezrich's "Breaking Twitter: Elon Musk and the Most Controversial Corporate Takeover in History," is expected to come out in early November.

Musk didn't respond to emails seeking comment. A spokesman for Bankman-Fried declined to comment.

Bradley Graham, co-owner of the Politics and Prose bookstore in Washington, D.C., said Isaacson's biography of Steve Jobs "supercharged sales over the entire holiday season" after it was released in late October 2011.

Politics and Prose is holding a ticketed event for Isaacson's "Elon Musk" biography at the Sidwell Friends School in Washington on Sept. 18.

"The bar is high for the Musk book because there is no shortage of coverage about him," said Graham. "But Isaacson has a reputation for taking on people like Steve Jobs, gaining incredible access and coming up with a much fuller story than has been told before."

Excerpts of Isaacson's book appeared in The Wall Street Journal and Time magazine. Isaacson also has a full slate of media appearances planned in coming days, said a spokeswoman for Simon & Schuster, his longtime publisher.

Speaking about the coming business titles, Graham said, "You have authors who have tackled complicated, controversial individuals before."

Besides the business books, there will likely be other blockbuster titles this year, including a memoir from Britney Spears titled "The Woman in Me" that comes out on Oct. 24. A spokeswoman for Gallery Books, an imprint of Simon & Schuster, said the first printing will top one million copies. The book is already resonating with TikTok users.

A second coming memoir is already huge. Entertainer Barbra Streisand's "My Name Is Barbra" spans nearly 1,000 pages. Penguin Random House, which will publish the book on Nov. 7, earlier announced that it would print one million hardcover copies, although such numbers are often aspirational and can vary.

While Musk and Bankman-Fried are frequently in the headlines, the publication of both titles might test whether readers believe they already know enough about their lives. Readers, though, devoured Prince Harry's juicy memoir, "Spare," when it was published in January.

There is far more competition in the fall for new titles than at the start of the year. This month there are new novels from such bestselling authors as Stephen King and J.K. Rowling, writing as Robert Galbraith.

Publishers need a big finish to the year. With the peak of the pandemic over and people devoting less time to reading, print sales in 2023 fell 4% through Aug. 26, compared with the same period in 2022, to 461 million books, according to book tracker Circana BookScan. Readers have shown less interest in adult nonfiction, said Kristen McLean, a book analyst for Circana BookScan.

Musk Tome Paints A Complicated Picture of Mogul

Walter Isaacson's new biography of Elon Musk goes on sale Tuesday, offering a behind-the-curtain look into the businesses and lifestyle of the world's richest man.

*By **Alexa Corse, Rebecca Elliott** and **Micah Maidenberg***

"Elon Musk" covers the billionaire's life through the launch of rocket maker SpaceX's Starship earlier this year, including his childhood and early years in business. Isaacson followed Musk for two years, getting access to his inner circle and paints a complicated picture of the tycoon.

The book from publisher Simon & Schuster provides new insight on familiar episodes in recent history, including Musk's takeover of Twitter (the social-media platform now called X) and his pushing **Tesla** to develop technologies for driverless cars and humanoid robots.

Here are some highlights:

◆ **Family life:** The book explores Musk's difficult childhood and dives into his troubled relationship with his father. It details other aspects of Musk's personal life, described as often chaotic and messy.

It describes how the billionaire and his on-again, off-again girlfriend Grimes, the musician whose real name is Claire Boucher, secretly had a third child—bringing the total number of his known, living children to 10. They named the boy, birthed by a surrogate mother last year, Techno Mechanicus Musk, and nicknamed him Tau, after the Greek letter, in an obscure mathematical reference to Elon's birthday.

Isaacson describes what happened when two other Musk children were born to Neuralink executive Shivon Zilis. She wanted children, and was encouraged by Musk's thinking on the importance of procreation to fight population declines. Musk offered to be the sperm donor, and their twins were born in 2021.

Grimes didn't know Musk had fathered the twins until the secret leaked. "Grimes was outraged," Isaacson writes.

◆ **Texas house:** The book describes Musk's flirtation with building a house across the Colorado River from Tesla's Austin-area factory. "It should be like something fell out of space, like a structure from another galaxy landed in the lake," Musk is quoted as saying.

The Wall Street Journal reported in July that Tesla employees were working on a secret project last year that was described internally as a house for Musk. Federal prosecutors and the Securities and

ANGELA PIAZZA/CALLER-TIMES/USA TODAY NETWORK/REUTERS

Isaacson writes that Tesla plans to make a robotaxi with the futuristic feel of Tesla's forthcoming pickup, Cybertruck.

Exchange Commission are investigating Tesla's use of company funds for the project, the Journal reported.

Musk and his representatives haven't responded to questions about the project or the investigations. On X, Musk has said he isn't building a glass house but hasn't addressed work on the idea.

◆ **Musk management**: The book describes examples of Musk's "hardcore" leadership style. At SpaceX: "Musk has a rule about responsibility: every part, every process and every specification needs to have a name attached. He can be quick to personalize blame when something goes wrong."

Isaacson asks whether a restrained Musk could accomplish as much as an unbound one and concluded: "Sometimes great innovators are risk-seeking man-children who resist potty training. They can be reckless, cringeworthy, sometimes even toxic. They can also be crazy. Crazy enough to think they can change the world."

◆ **Firing employees:** Musk told his team to root out Twitter employees who were untrustworthy. Musk's lieutenants scoured Slack messages and social-media postings looking for disgruntled employees, searching for keywords including "Elon." Dozens of employees were fired.

◆ **Rushing to save money:** Musk's management style could be reckless, Isaacson writes. Just before Christmas, Musk wanted to save money by shutting down Twitter's Sacramento, Calif., data center and moving those servers to another Twitter site. Staff warned it would take months.

Instead, Musk abruptly went to the data center with several lieutenants and, on Christmas Eve, they hired moving vans and began moving servers. Isaacson writes that Twitter subsequently suffered technical problems and Musk later said the shutdown was a mistake.

◆ **New products:** Isaacson writes that Tesla plans to make both a $25,000 car and a dedicated robotaxi with a "Cybertruck futuristic feel." (The Cybertruck is Tesla's forthcoming pickup truck.)

Musk has been all-in on the idea of a robotaxi, and adamant that the vehicle not have mirrors, pedals or a steering wheel. "We're going to take that risk. It's my fault if it f—s up. But we are not going to design some sort of amphibian frog that's a halfway car," the book quotes Musk as saying.

◆ **Autopilot:** Over the years, Musk has had what Isaacson calls a "tug-of-war with his engineers" over whether it was necessary to use radar in addition to cameras to help Tesla's advanced driver-assistance system detect objects in the roadway.

In early 2021, Musk decided to nix radar, telling employees in an email: "It's a terrible crutch. I'm not kidding. And it's clear that camera-only driving is working well," according to the book. The CEO has since agreed to test a radar system in some Teslas, Isaacson says.

◆ **Brand damage:** Musk's behavior after taking over the company then known as Twitter was damaging enough to Tesla's brand that board members intervened. "The giant elephant in the room was that he was acting like a f—ing idiot," said his brother, Kimbal Musk, according to Isaacson, who writes that Kimbal stopped following Elon's posts because they were too nerve-racking.

Watch a Video

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Notice of Bankruptcy Auction Sale of Assets
All of the assets of a tanning salon operation in PBC Florida (5 locations) will be considered for sale at auction on September 13, 2023 at 1:30 PM at a hearing before the United States Bankruptcy Court for the Southern District of Florida Case 23-14750 MAM
Flagler Waterview Building: 1515 North Flagler Drive, Suite 801 - West Palm Beach, FL 33401 (561) 514-4100
For more information and for copies of any relevant documents contact Julianne Frank, Esq. as identified in the pleadings.

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Meta Develops AI System

Continued from page B1

petition in the area has intensified this year, spawning divergent views on everything from which business models are best to how the technology should be regulated.

The company is currently building up the data centers necessary for the job and acquiring more H100s, the most advanced of the **Nvidia** chips used for such AI training. While Meta joined with **Microsoft** to make Llama 2 available on Microsoft's cloud-computing platform Azure, it plans to train the new model on its own infrastructure, some of the people said.

Zuckerberg is pushing for the new model, like Meta's earlier AI offerings, to be open-sourced and therefore available free for companies to build AI-powered tools.

Zuckerberg will be among a group of top tech executives attending a summit organized by Senate Majority Leader Chuck Schumer (D., N.Y.) on Wednesday to discuss how to handle AI. Sam Altman, OpenAI's CEO, and Sundar Pichai, Google's CEO, will also be attending.

The model under development may not close the gap with Meta's competitors.

Meta hopes it will be roughly as capable as GPT-4, which OpenAI launched in March. GPT-4 underpins OpenAI's moneymaking initiatives such as the recently launched ChatGPT for Business tool, and the company has been courting others to build on top of the technology as it tries to cover the enormous costs for advanced AI models. Meta's new model also likely would come out after the expected debut of Gemini, an advanced large language model being built by **Alphabet**'s Google.

Meta's open-sourced approach has certain advantages. Zuckerberg has championed open-source AI models, which are popular for their lower cost and adaptability.

There also are potential downsides to an open-source model of the power Meta aspires to, say some legal specialists. These include increased risks around use of potentially copyright-protected information and broader access to a tool whose enhanced strength can be used to generate and spread disinformation or other bad actions.

Meta's lawyers have raised some of these concerns as part of their review of the company's plans.

"You can't easily predict what the system would do or its vulnerabilities—what some open source AI systems offer is a limited degree of transparency, reusability and extensibility," said Sarah West, a former adviser to the Federal Trade Commission who is managing director of the AI Now Institute, a research institute that has raised concerns about big companies' control over AI.

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Continued from page B1
fund. After the 2008 financial crisis, those checks shrank for five years in a row.

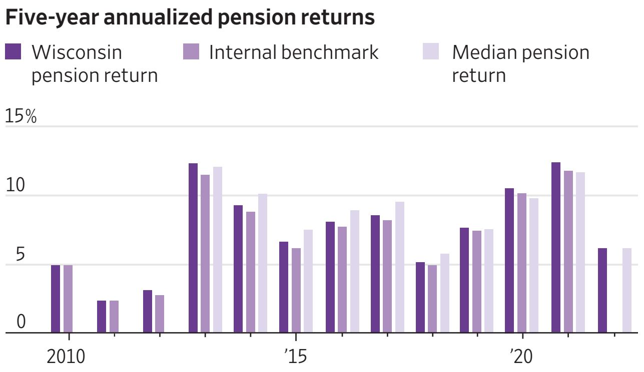
In states without that type of rule, residents are more likely to feel pain when returns fall short. Governments typically have to make up the difference by cutting budgets, drawing on taxpayer dollars or taking more money out of worker paychecks.

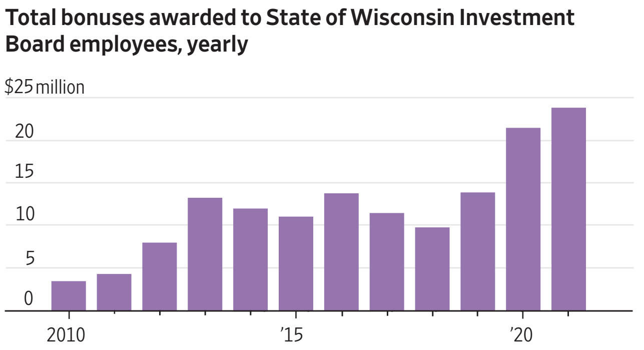
Creative internal targets aren't limited to state retirement funds. Wall Street investment managers often collect high paychecks for managing funds that earn less than a low-cost passive investment mix.

But the practice stands out in the cash-strapped public sector, especially in a higher-rate world where pensions can earn robust returns with relatively simple investments.

The Wisconsin Retirement System's performance is uneven relative to its peers.

The fund has beaten the five-year median returns calculated by Wilshire Trust Universe Comparison Service six out of the past 10 years. Its performance relative to those medians ranked fifth among the 10 largest pensions last year. Among retirement funds with the same fiscal year-end date, Wisconsin's pension ranks 11th out of 25, according to 2022 data collected by the Boston College Center for Retirement Research.





Sources: State of Wisconsin Investment Board (Wisconsin return, internal benchmark); Wilshire Trust Universe Comparison Service (Median pension return for public pension plans > $5 billion); Wisconsin Legislative Audit Bureau report (total bonuses)

But bonus pay for the fund's investment managers is tied to a different measure—one they have beat every year for more than a decade.

The Wisconsin board's bonus pool has increased from $3 million in 2009 to $24 million in 2021, according to state audits. The amount of money it managed grew by about 2.5 times during that period.

The investment board paid a total of about $66 million to roughly 300 people last year in salary and other compensation as well as bonuses for their performance in 2021. The average bonus for the 84 investment-management staffers was $206,452, auditors found.

"I know we want competent people to manage the money, but this does seem to me to be a little bit much," said Sandra Liliana Pucci, who retired last year as a professor of linguistics at the University of Wisconsin-Milwaukee.

Wisconsin's fund does beat most other state pensions on one measure: The money in its coffers is enough to pay all promised benefits. That is largely thanks to a steady flow of taxpayer funds and worker contributions, as well as occasional pension check reductions for retirees who can lose years of annual benefit increases in bad markets.

In a written response to and interviews with The Wall Street Journal, the investment board said its nine trustees work with outside consultants to set performance benchmarks and determine compensation after evaluating industry job data. Most trustees are appointed by the governor and confirmed by the Senate.

The investment board also said it manages more money internally than other retirement funds, which it expects to pay off in lower overhead costs and higher returns. It said it opts for a safer mix of assets because it isn't trying to fill a funding gap and wants to mitigate the impact on pension checks in bad market years.

State auditors have raised concerns about compensation, though. In one case they flagged, an investment-board employee got a $180,000 signing bonus in 2019, then left the next year with another $180,000 in severance—without paying back the signing bonus.

The investment board called the payments "a very unique one-off situation" and said the employee was two weeks away from the end of the repayment period on the signing bonus. The board said it has since set tighter rules on such bonuses.

Investor Presses Ventas for Changes

By Lauren Thomas

Activist investor Jonathan Litt is again seeking board changes at **Ventas**, the big owner of senior-housing communities.

Litt's **Land & Buildings Investment Management** said the changes are needed to help reverse underperformance at the real-estate investment trust, according to a letter it plans to send the company's shareholders that was viewed by The Wall Street Journal.

It sets up what could be Land & Buildings' second proxy fight at the company after the investor ran a campaign to nominate Litt and another candidate in 2022, an effort that fell short.

While Land & Buildings notes in its letter that the firm remains open to working with Ventas, Litt writes that it will do "whatever is necessary" to turn things around. That could include nominating multiple directors, according to people familiar with the activist's thinking.

The window for shareholder nominations at Ventas runs from Dec. 18 to Jan. 17, according to a securities filing.

The real-estate focused investment firm owns roughly $50 million of Ventas's shares, similar to the size of its position in 2022. That amounts to a stake of well under 1%, given Ventas's market value of roughly $17 billion. Shares of Ventas are down about 6% so far this year.

Chicago-based Ventas's portfolio consists of more than 1,200 properties across the country and in Canada and the U.K. It includes over 800 senior-housing communities and more than 400 outpatient medical facilities, according to its website.

Litt, founder and chief investment officer of Land & Buildings, wrote in the letter that when the firm previously ran its campaign, some shareholders opted to give Ventas's board the "benefit of the doubt and allow more time to right the ship."

The company has been seeking to close a "valuation and performance gap" with Ventas's closest rival, Welltower, according to the letter.

Land & Buildings notes that proxy-advisory firm Institutional Shareholder Services said in 2022—when it recommended Ventas shareholders vote for all of the company's directors—that "should the efforts of the company's leadership to close the multiple gap fall short, shareholders have the potential solution of supporting more substantive changes at next year's annual meeting."

THE TICKER | MARKET EVENTS COMING THIS WEEK

Monday

Earnings expected

	Estimate/Year Ago
Casey's General Stores	**3.36**/4.09
Oracle	**1.15**/1.03

Tuesday

Short-selling reports
Ratio, days of trading volume of current position, at Aug 15

NYSE	3.9
Nasdaq	2.4

Wednesday

Consumer price index

All items, July	up 3.2%
August, expected	up 3.6%
Core, July	up 4.7%
August, expected	up 4.3%

EIA status report
Previous change in stocks in millions of barrels

Crude oil	down 6.3
Gasoline	down 2.7
Distillates	up 0.7

Mort. bankers indexes

Purch., previous	down 2.0%
Refinan., prev.	down 5.0%

Treasury budget

August 2022	$220 bil. deficit
August 2023, expected	$230 bil. deficit

Thursday

Business inventories

June, previous	up 0.0%
July, expected	up 0.1%

EIA report: natural-gas
Previous change in stocks in billions of cubic feet

up 33

Initial jobless claims

Previous	216,000
Expected	220,000

Producer price index

All items, July	up 0.3%
August, expected	up 0.4%
Core, July	up 0.3%
August, expected	up 0.2%

Retail sales, ex. autos

July, previous	up 1.0%
August, expected	up 0.4%

Retail sales

July, previous	up 0.7%
August, expected	up 0.1%

Freddie Mac mortgage survey
Previous weekly averages

30-year fixed	7.12%
15-year fixed	6.52%

Earnings expected

	Estimate/Year Ago
Adobe	**3.97**/3.40
Copart	**0.33**/0.28
Lennar	**3.51**/5.03

Friday

Import price index

July, previous	up 0.4%
August, expected	up 0.3%

Empire Manufacturing

August, previous	-19
September, expected	-10

Capacity utilization

July, previous	79.3
August, expected	79.3

Industrial production

July, previous	up 1.0%
August, expected	up 0.2%

U.Mich. consumer index

August, final	69.5
September, prelim.	69.5

* FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in parentheses) ◆ Adjusted for stock split

Note: Forecasts are from Dow Jones weekly survey of economists

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MARKETS DIGEST

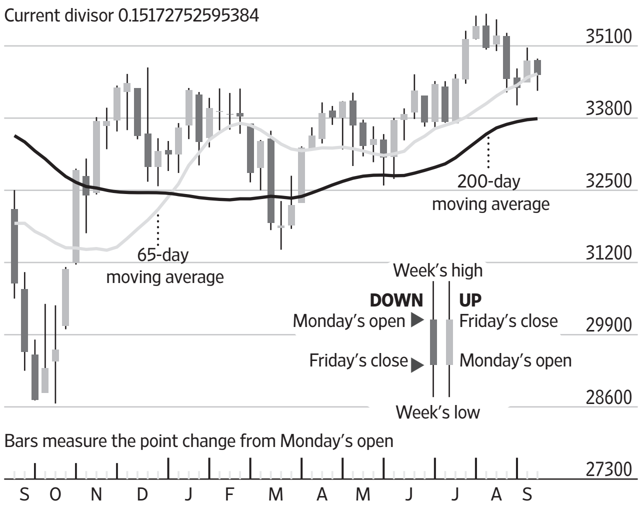
Dow Jones Industrial Average

34576.59 ▼261.12, or 0.75% last week

High, low, open and close for each of the past 52 weeks

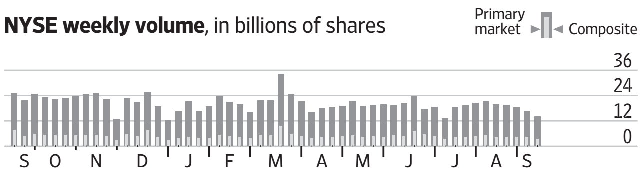
	Last	Year ago
Trailing P/E ratio	25.03	18.93
P/E estimate*	18.69	17.04
Dividend yield	2.10	2.23
All-time high	36799.65, 01/04/22	

Current divisor 0.15172752595384



Bars measure the point change from Monday's open

NYSE weekly volume, in billions of shares



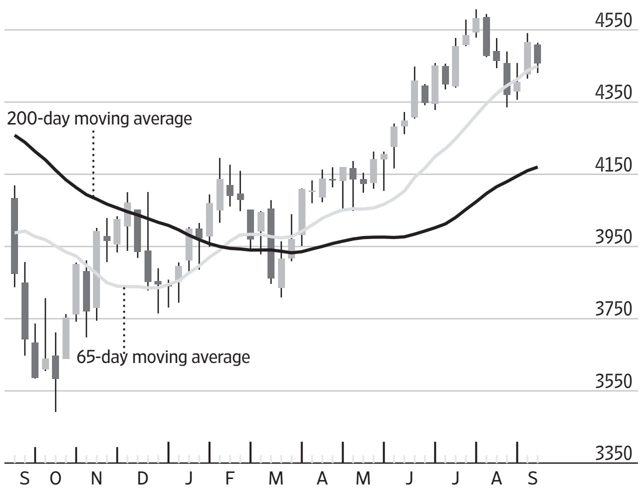
*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

S&P 500 Index

4457.49 ▼58.28, or 1.29% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio*	20.17	21.80
P/E estimate*	20.05	17.63
Dividend yield*	1.56	1.66
All-time high	4796.56, 01/03/22	



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Major U.S. Stock-Market Indexes

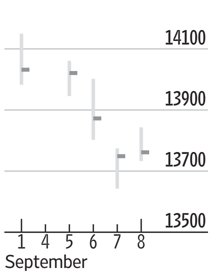
	Latest Week High	Low	Close	Net chg	% chg	52-Week Low	High	% chg	% chg YTD	3-yr. ann.
Dow Jones										
Industrial Average	34871.26	34291.56	**34576.59**	-261.12	**-0.75**	28725.51	35630.68	**7.5**	4.3	**7.9**
Transportation Avg	15781.50	15173.49	**15208.43**	-627.15	**-3.96**	11999.40	16695.32	**8.2**	13.6	**11.1**
Utility Average	872.93	847.60	**871.75**	5.09	**0.59**	838.99	1061.77	**-17.0**	-9.9	**3.0**
Total Stock Market	45062.61	44201.71	**44460.78**	-663.81	**-1.47**	36056.21	45969.67	**8.4**	15.4	**9.5**
Barron's 400	998.63	985.84	**987.91**	-28.63	**-2.82**	825.73	1036.97	**5.2**	7.3	**12.0**
Nasdaq Stock Market										
Nasdaq Composite	14060.85	13642.47	**13761.53**	-270.29	**-1.93**	10213.29	14358.02	**13.6**	31.5	**8.3**
Nasdaq-100	15556.85	15138.73	**15280.23**	-210.63	**-1.36**	10679.34	15841.35	**21.4**	39.7	**11.3**
S&P										
500 Index	4514.29	4430.46	**4457.49**	-58.28	**-1.29**	3577.03	4588.96	**9.6**	16.1	**10.2**
MidCap 400	2669.68	2569.08	**2574.53**	-95.15	**-3.56**	2203.53	2728.44	**3.1**	5.9	**11.5**
SmallCap 600	1232.09	1183.12	**1185.50**	-53.84	**-4.34**	1064.45	1315.82	**-0.7**	2.4	**10.8**
Other Indexes										
Russell 2000	1916.28	1848.59	**1851.54**	-69.28	**-3.61**	1655.88	2003.18	**-1.7**	5.1	**7.2**
NYSE Composite	16096.51	15811.66	**15878.99**	-212.80	**-1.32**	13472.18	16427.29	**4.5**	4.6	**7.8**
Value Line	574.52	555.52	**556.33**	-18.19	**-3.17**	491.56	606.49	**-1.3**	3.7	**6.3**
NYSE Arca Biotech	5340.95	5192.16	**5200.34**	-140.62	**-2.63**	4390.11	5644.5	**4.7**	-1.5	**0.3**
NYSE Arca Pharma	916.78	892.67	**916.64**	5.70	**0.63**	737.84	917.89	**17.3**	5.6	**12.0**
KBW Bank	82.94	78.95	**80.39**	-1.97	**-2.40**	71.96	115.1	**-27.1**	-20.3	**1.7**
PHLX§ Gold/Silver	116.99	112.79	**113.16**	-4.22	**-3.60**	91.40	144.37	**7.8**	-6.4	**-8.6**
PHLX§ Oil Service	97.56	95.28	**96.59**	0.978	**1.02**	56.08	96.59	**36.5**	15.2	**42.3**
PHLX§ Semiconductor	3711.55	3536.56	**3565.99**	-116.84	**-3.17**	2162.32	3861.63	**31.0**	40.8	**19.1**
Cboe Volatility	15.69	13.58	**13.84**	0.75	**5.73**	12.91	33.63	**-39.3**	-36.1	**-23.9**

§Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

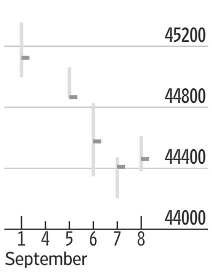
Nasdaq Composite

▼ 270.29, or -1.93% last week



DJ US TSM

▼ 663.81, or -1.47% last week



International Stock Indexes

Region/Country	Index	Latest Week Close	% chg	52-Week Range Low	High	YTD % chg
World	**MSCI ACWI**	678.02	**–1.34**	550.37	707.11	12.0
	MSCI ACWI ex-USA	295.55	**–1.45**	244.35	314.69	5.1
	MSCI World	2948.81	**–1.36**	2367.69	3064.30	13.3
	MSCI Emerging Markets	973.86	**–1.20**	842.76	1052.46	1.8
Americas	**MSCI AC Americas**	1687.76	**–1.37**	1363.36	1742.64	15.8
Canada	**S&P/TSX Comp**	20074.65	**–2.29**	18206.28	20767.38	3.6
Latin Amer.	**MSCI EM Latin America**	2300.15	**–3.44**	2027.22	2570.27	8.1
Brazil	**BOVESPA**	115313.40	**–2.19**	97926.34	122560.38	5.1
Chile	**S&P IPSA**	3309.46	**–2.15**	3021.53	3629.67	4.3
Mexico	**S&P/BMV IPC**	52505.11	**–1.20**	44626.80	55534.68	8.3
EMEA	**STOXX Europe 600**	454.66	**–0.76**	382.89	471.74	7.0
	STOXX Europe 50	3959.24	**–0.21**	3310.09	4079.60	8.4
Eurozone	**Euro STOXX**	448.51	**–1.22**	359.45	470.38	9.4
	Euro STOXX 50	4237.19	**–1.06**	3279.04	4471.31	11.7
Austria	**ATX**	3143.69	**–0.86**	2647.43	3557.01	0.6
Belgium	**Bel-20**	3655.70	**–0.74**	3313.82	3954.16	–1.2
France	**CAC 40**	7240.77	**–0.77**	5676.87	7577.00	11.8
Germany	**DAX**	15740.30	**–0.63**	11975.55	16469.75	13.0
Greece	**Athex Composite**	1259.50	**–3.08**	788.46	1345.95	35.5
Israel	**Tel Aviv**	1826.54	**–1.08**	1707.57	2018.85	1.6
Italy	**FTSE MIB**	28233.20	**–1.46**	20353	29645	19.1
Netherlands	**AEX**	739.09	**–0.93**	630.58	794.27	7.3
Norway	**Oslo Bors All-Share**	1465.62	**0.46**	1247.07	1468.61	7.6
Portugal	**PSI 20**	6130.01	**–0.84**	5190.28	6273.94	7.1
South Africa	**FTSE/JSE All-Share**	73652.67	**–1.52**	63263.94	80791.36	0.8
Spain	**IBEX 35**	9364.60	**–0.90**	7261.1	9694.7	13.8
Sweden	**OMX Stockholm**	805.79	**–0.80**	690.07	886.59	3.1
Switzerland	**Swiss Market**	10948.59	**–1.14**	10072.62	11595.25	2.0
U.K.	**FTSE 100**	7478.19	**0.18**	6826.15	8014.31	0.4
Asia-Pacific	**MSCI AC Asia Pacific**	160.97	**–1.01**	134.3	170.8	3.4
Australia	**S&P/ASX 200**	7156.70	**–1.67**	6456.9	7558.1	1.7
China	**Shanghai Composite**	3116.72	**–0.53**	2893.48	3395.00	0.9
Hong Kong	**Hang Seng**	18202.07	**–0.98**	14687.02	22688.90	–8.0
India	**S&P BSE Sensex**	66598.91	**1.85**	56409.96	67571.90	9.5
Japan	**NIKKEI 225**	32606.84	**–0.32**	25716.86	33753.33	25.0
Malaysia	**FTSE Bursa Malaysia KLCI**	1454.95	**–0.58**	1373.36	1501.88	–2.7
Singapore	**Straits Times**	3207.75	**–0.79**	2969.95	3394.21	–1.3
South Korea	**KOSPI**	2547.68	**–0.63**	2155.49	2667.07	13.9
Taiwan	**TAIEX**	16576.02	**–0.41**	12666.12	17334.98	17.2

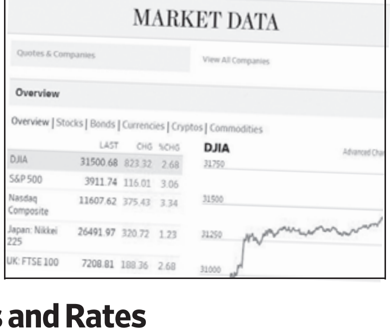
Source: FactSet; Dow Jones Market Data

Commodities and Currencies

	Last Week Close	Net chg	% Chg	YTD % chg
DJ Commodity	**1009.85**	-3.56	**-0.35**	-3.70
Refinitiv/CC CRB Index	**284.47**	0.12	**0.04**	2.42
Crude oil, $ per barrel	**87.51**	1.96	**2.29**	9.03
Natural gas, $/MMBtu	**2.605**	-0.160	**-5.79**	-41.79
Gold, $ per troy oz.	**1918.40**	-21.40	**-1.10**	5.42
U.S. Dollar Index	**105.06**	0.82	**0.79**	1.48
WSJ Dollar Index	**99.45**	0.86	**0.87**	3.00
Euro, per dollar	**0.9344**	0.0064	**0.69**	unch.
Yen, per dollar	**147.82**	1.58	**1.08**	12.74
U.K. pound, in dollars	**1.25**	-0.0124	**-0.98**	3.05

	52-Week Low	High	% Chg
DJ Commodity	930.59	1075.81	**-4.48**
Refinitiv/CC CRB Index	253.85	287.62	**0.12**
Crude oil, $ per barrel	66.74	92.64	**0.83**
Natural gas, $/MMBtu	1.991	9.114	**-67.42**
Gold, $ per troy oz.	1623.30	2048.00	**11.78**
U.S. Dollar Index	99.77	114.10	**-3.62**
WSJ Dollar Index	94.37	105.14	**-1.30**
Euro, per dollar	0.8897	1.0422	**-6.13**
Yen, per dollar	127.86	150.15	**3.68**
U.K. pound, in dollars	1.07	1.31	**7.59**

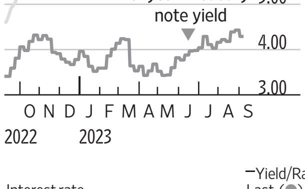
Go to WSJMarkets.com for free access to real-time market data.



Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

Five-year ARM, Rate

Bankrate.com avg†:	**6.58%**
Texas Bank and Trust	**5.75%**
Longview, TX	903-237-5500
STAR Financial Bank	**6.25%**
Fort Wayne, IN	765-622-4185
Terre Haute Savings Bank	**6.50%**
Terre Haute, IN	888-245-1929
Clinton Savings Bank	**6.63%**
Clinton, MA	888-744-4272
Hanscom Federal Credit Union	**6.63%**
Hanscom AFB, MA	800-656-4328

Interest rate	Yield/Rate (%) Last (●)	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**5.25-5.50**	5.25-5.50	2.25	5.50	**5.25**
Prime rate*	**8.50**	8.50	5.50	8.50	**5.25**
SOFR	**5.31**	5.31	2.25	5.31	**5.22**
Money market, annual yield	**0.46**	0.57	0.16	0.60	**0.23**
Five-year CD, annual yield	**2.82**	2.83	1.85	2.86	**2.17**
30-year mortgage, fixed†	**7.66**	7.67	6.13	7.74	**4.55**
15-year mortgage, fixed†	**6.91**	6.86	5.34	6.93	**4.36**
Jumbo mortgages, $726,200-plus†	**7.73**	7.73	6.13	7.82	**4.57**
Five-year adj mortgage (ARM)†	**6.58**	6.57	4.60	6.58	**3.26**
New-car loan, 48-month	**7.35**	7.35	5.16	7.64	**3.18**

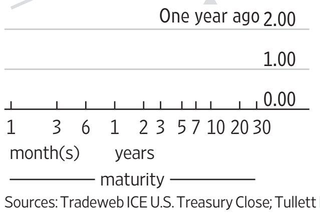
Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

Benchmark Yields and Rates

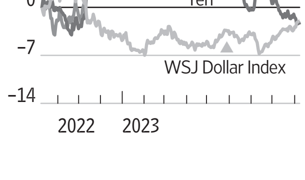
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

Bond total return index	Yield (%) Last	Wk ago	Spread +/- Treasurys, in basis pts, 52-wk Range Last	Low	High	Total Return 52-wk	3-yr
U.S. Treasury, Bloomberg	**4.630**	4.550				-2.01	-5.36
U.S. Treasury Long, Bloomberg	**4.470**	4.430				-8.79	-14.20
Aggregate, Bloomberg	**5.110**	5.030	n.a.	44	69	-1.11	-4.68
Fixed-Rate MBS, Bloomberg	**5.180**	5.100	n.a.	36	88	-2.05	-4.36
High Yield 100, ICE BofA	**8.097**	7.949	338	321	467	6.013	1.743
Muni Master, ICE BofA	**3.647**	3.588	-1	-17	11	1.932	-1.453
EMBI Global, J.P. Morgan	**7.946**	7.852	352	334	478	4.324	-4.254

Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

New to the Market

Public Offerings of Stock

IPOs in the U.S. Market

Initial public offerings of stock expected this week; might include some offerings, U.S. and foreign, open to institutional investors only via the Rule 144a market; deal amounts are for the U.S. market only

Expected pricing date	Filed	Issuer/business	Symbol/ primary exchange	Shares (mil.)	Pricing Range($) Low/High	Bookrunner(s)
9/12	9/9 2022	Vitro Biopharma Biotechnology company targeting autoimmune diseases and inflammatory disorders.	**VTRO** A	**1.8**	5.00/ 6.00	Fordham Financial Management
9/13	8/21	Arm Holdings Developer and manufacturer of microprocessors, application-specific integrated circuits and chips.	**ARM** Nq	**95.5**	47.00/ 51.00	Barclays, GS, JPM, Mizuho, BofA Securities, Citi, DB, Jefferies, BNP Paribas

Lockup Expirations

Below, companies whose officers and other insiders will become eligible to sell shares in their newly public companies for the first time. Such sales can move the stock's price.

Lockup expiration	Issue date		Symbol	Offer price($)	Offer amt ($ mil.)	Through Friday (%)	Lockup provision
Sept. 10	March 14, '23	ICZOOM Group	**IZM**	4.00	37.8	**150.5**	180 days
Sept. 11	March 15, '23	Intchains Group	**ICG**	8.00	10.0	**–15.0**	180 days

Sources: Dealogic; Dow Jones Market Data

IPO Scorecard

Performance of IPOs, most-recent listed first

Company **SYMBOL** IPO date/Offer price	Friday's close ($)	% Chg From Offer price	1st-day close
Courtside Group **PODC** Sept. 8/$8.00	4.39	**–45.1**	...
Solowin Holdings **SWIN** Sept. 7/$4.00	4.91	**22.8**	–19.2
Inspire Veterinary Partners **IVP** Aug. 30/$4.00	1.84	**–54.0**	–40.1
99 Acquisition Group **NNAGU** Aug. 18/$10.00	10.25	**2.5**	0.9
Sacks Parente Golf **SPGC** Aug. 15/$4.00	1.63	**–59.3**	–94.4
SRM Entertainment **SRM** Aug. 15/$5.00	1.66	**–66.8**	–66.7
LQR House **LQR** Aug. 10/$5.00	1.15	**–77.0**	–70.5
NeurAxis **NRXS** Aug. 9/$6.00	4.10	**–31.7**	–31.7
Fitell **FTEL** Aug. 8/$5.00	2.60	**–48.0**	–48.5
MIRA Pharmaceuticals **MIRA** Aug. 3/$7.00	6.10	**–12.9**	–17.8
Cheetah Net Supply Chain Service **CTNT** Aug. 1/$4.00	2.15	**–46.3**	–68.8
Hanryu Holdings **HRYU** Aug. 1/$10.00	5.51	**–44.9**	–29.4
SharkNinja **SN** July 31/$30.05	35.02	**16.5**	–17.2
ParaZero Technologies **PRZO** July 27/$4.00	1.42	**–64.5**	–60.6
Surf Air Mobility **SRFM** July 27/$20.00	1.68	**–91.6**	–46.7
Haymaker Acquisition 4 **HYAC.UT** July 26/$10.00	10.25	**2.5**	1.3
Janover **JNVR** July 25/$4.00	1.27	**–68.3**	–66.8
Keen Vision Acquisition **KVACU** July 25/$10.00	10.15	**1.5**	0.7
Turnstone Biologics **TSBX** July 21/$12.00	9.15	**–23.8**	–16.8
ODDITY Tech **ODD** July 19/$35.00	36.65	**4.7**	–22.9

Sources: Dow Jones Market Data; FactSet

Public and Private Borrowing

Treasurys

Monday, September 11

Auction of 13 and 26 week bills;
announced on September 7; settles on September 14

Auction of 3 year note;
announced on September 7; settles on September 15

Wednesday, September 13

Auction of 17 week bill;
announced on September 12; settles on September 19

Thursday, September 14

Auction of 4 and 8 week bills;
announced on September 12; settles on September 19

A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA lost 261.13 points, or 0.75%, on the week. A $1 change in the price of any DJIA stock = 6.59-point change in the average. To date, a $1,000 investment on Dec. 31 in each current DJIA stock component would have returned $32,043, or a gain of 6.81%, on the $30,000 investment, including reinvested dividends.

The Week's Action Pct chg (%)	Stock price change	Point chg in average*	Company	Symbol	Close	$1,000 Invested (year-end '22)
3.82	1.40	9.23	**Intel**	INTC	$38.01	**$1,467**
1.77	2.91	19.18	**Chevron**	CVX	167.21	**958**
1.71	5.61	36.97	**Microsoft**	MSFT	334.27	**1,403**
1.46	3.23	21.29	**Salesforce**	CRM	224.76	**1,695**
1.36	2.20	14.50	**Walmart**	WMT	163.77	**1,168**
1.06	2.72	17.93	**Amgen**	AMGN	259.43	**1,014**
0.95	4.53	29.86	**UnitedHealth Group**	UNH	480.77	**917**
0.05	0.08	0.53	**Johnson & Johnson**	JNJ	160.56	**929**
–0.07	–0.06	–0.40	**Walt Disney**	DIS	81.58	**939**
–0.18	–0.26	–1.71	**IBM**	IBM	147.68	**1,088**
–0.33	–0.82	–5.40	**Visa**	V	247.29	**1,197**
–0.57	–1.88	–12.39	**Goldman Sachs**	GS	325.52	**970**
–0.61	–1.72	–11.34	**McDonald's**	MCD	279.22	**1,077**
–0.66	–0.71	–4.68	**3M**	MMM	106.24	**925**
–0.72	–0.79	–5.21	**Merck**	MRK	109.05	**996**
–1.02	–1.58	–10.41	**Procter & Gamble**	PG	152.93	**1,028**
–1.31	–4.37	–28.80	**Home Depot**	HD	328.71	**1,063**
–1.37	–2.19	–14.43	**American Express**	AXP	157.43	**1,077**
–1.39	–3.97	–26.17	**Caterpillar**	CAT	282.28	**1,196**
–1.48	–2.41	–15.88	**Travelers**	TRV	159.89	**868**
–1.65	–0.98	–6.46	**Coca-Cola**	KO	58.33	**931**
–2.02	–1.17	–7.71	**Cisco**	CSCO	56.67	**1,217**
–2.04	–2.99	–19.71	**JPMorgan Chase**	JPM	143.83	**1,096**
–2.05	–3.87	–25.51	**Honeywell**	HON	184.52	**875**
–2.86	–1.58	–10.41	**Dow**	DOW	53.71	**1,108**
–4.04	–1.41	–9.29	**Verizon**	VZ	33.45	**893**
–4.58	–4.69	–30.91	**Nike**	NKE	97.67	**842**
–5.43	–12.13	–79.95	**Boeing**	BA	211.27	**1,109**
–5.95	–11.28	–74.34	**Apple**	AAPL	178.18	**1,377**
–6.15	–1.44	–9.49	**Walgreens**	WBA	21.99	**616**

*Based on Composite price. DJIA is calculated on primary-market price.
Source: Dow Jones Market Data; FactSet.

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Fri in US$	per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0029	349.9461	**98.0**
Brazil real	.2005	4.9866	**–5.6**
Canada dollar	.7331	1.3641	**0.6**
Chile peso	.001116	896.07	**5.6**
Colombia peso	.000249	4019.50	**–17.1**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0568	17.5936	**–9.7**
Uruguay peso	.02629	38.0350	**–4.9**
Asia-Pacific			
Australia dollar	.6379	1.5676	**6.8**
China yuan	.1362	7.3434	**6.5**
Hong Kong dollar	.1276	7.8401	**0.4**
India rupee	.01204	83.046	**0.4**
Indonesia rupiah	.0000650	15381	**–1.2**
Japan yen	.006765	147.82	**12.7**
Kazakhstan tenge	.002154	464.35	**0.3**
Macau pataca	.1237	8.0815	**0.4**
Malaysia ringgit	.2138	4.6765	**6.2**
New Zealand dollar	.5883	1.6998	**7.9**
Pakistan rupee	.00328	305.000	**34.5**
Philippines peso	.0176	56.670	**1.8**
Singapore dollar	.7324	1.3654	**1.8**
South Korea won	.0007483	1336.37	**5.9**
Sri Lanka rupee	.0030989	322.70	**–12.2**
Taiwan dollar	.03115	32.100	**4.8**
Thailand baht	.02803	35.670	**3.0**

Country/currency	Fri in US$	per US$	US$ vs, YTD chg (%)
Vietnam dong	.00004157	24058	**1.8**
Europe			
Czech Rep. koruna	.04386	22.798	**1.0**
Denmark krone	.1435	6.9704	**0.3**
Euro area euro	1.0703	.9344	**unch**
Hungary forint	.002776	360.26	**–3.5**
Iceland krona	.007445	134.31	**–5.1**
Norway krone	.0936	10.6874	**9.0**
Poland zloty	.2318	4.3149	**–1.5**
Russia ruble	.01021	97.925	**32.8**
Sweden krona	.0899	11.1253	**6.6**
Switzerland franc	1.1197	.8931	**–3.5**
Turkey lira	.0373	26.8448	**43.6**
Ukraine hryvnia	.0271	36.9500	**0.3**
UK pound	1.2467	.8021	**–3.0**
Middle East/Africa			
Bahrain dinar	2.6525	.3770	**–0.01**
Egypt pound	.0324	30.9013	**24.8**
Israel shekel	.2602	3.8438	**9.0**
Kuwait dinar	3.2432	.3083	**0.8**
Oman sul rial	2.5974	.3850	**...**
Qatar rial	.2747	3.640	**–0.7**
Saudi Arabia riyal	.2666	3.7509	**–0.2**
South Africa rand	.0523	19.1245	**12.3**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	99.45	0.03	0.03	**3.00**

Sources: Tullett Prebon, Dow Jones Market Data

CLOSED-END FUNDS

Listed are the 300 largest closed-end funds as measured by assets. Closed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-ends generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. **NA** signifies that the information is not available or not applicable. **NS** signifies funds not in existence for the entire period. 12 month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month-end or during the previous 52 weeks for periods ending at any time other than month-end) by the latest month-end market price adjusted for capital gains distributions. Depending on the fund category, either 12-month yield or total return is listed.

Source: Lipper

Friday, September 8, 2023

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Adams Diversified Eq Inc **ADX**	20.26	17.22	-15.0	11.7
Central Secs **CET**	44.42	35.95	-19.1	5.0
CohenStrsCEOppFd **FOF**	10.57	10.87	+2.8	1.6
EVTxAdvDivIncm **EVT**	23.65	22.12	-6.5	-5.0
GabelliDiv&IncTr **GDV**	NA	20.45	NA	0.7
Gabelli Equity Tr **GAB**	NA	5.39	NA	-6.3
GeneralAmer **GAM**	50.85	41.85	-17.7	12.8
JHancockTaxAdvDiv **HTD**	NA	19.10	NA	-16.0
Liberty All-Star Equity **USA**	6.32	6.06	-4.1	3.5
Liberty All-Star Growth **ASG**	5.45	5.14	-5.7	-3.1
Royce Micro-Cap Tr **RMT**	9.81	8.64	-11.9	5.9
Royce Value Trust **RVT**	15.16	13.23	-12.7	-4.7
Source Capital **SOR**	NA	38.57	NA	8.1
Sprott Focus Trust **FUND**	8.57	7.94	-7.4	5.2
SRH Total Return **STEW**	16.70	13.50	-19.2	13.5
Tri-Continental **TY**	31.20	27.03	-13.4	2.1
Specialized Equity Funds				
abrdn Glb Prem Prop **AWP**	4.05	3.77	-6.9	-13.7
abrdn Global Infra Inc **ASGI**	20.06	17.05	-15.0	1.3
Adams Natural Resources **PEO**	27.45	23.50	-14.4	16.0
ASA Gold & Prec Met Ltd **ASA**	16.67	14.34	-14.0	1.6
BR Enh C&I **CII**	19.09	19.19	+0.5	12.3
BlackRock Energy & Res **BGR**	14.89	13.05	-12.4	18.6
BlackRock Eq Enh Div **BDJ**	8.58	7.61	-11.3	-9.1
BlackRock Enh Glbl Div **BOE**	11.32	9.78	-13.6	7.8
BlackRock Enh Intl Div **BGY**	5.94	5.17	-13.0	13.8
BlackRock ESG Cap All T **ECAT**	17.54	15.29	-12.8	14.4
BlackRock Hlth Sci Term **BMEZ**	17.87	15.25	-14.7	0.4
BlackRock Hlth Sciences **BME**	41.93	39.61	-5.5	-1.7
BlackRock Innov&Gro Term **BIGZ**	8.95	7.50	-16.2	0.1
BlackRock Res & Comm **BCX**	10.75	9.43	-12.3	6.6
BlackRock Sci&Tech Term **BSTZ**	20.99	17.50	-16.6	-5.7
BlackRock Sci&Tech Trust **BST**	33.25	33.22	-0.1	2.8
BlackRock Utl Inf & Pwr **BUI**	21.53	20.97	-2.6	-5.4
CLEARBRIDGE ENGY MDS OPP **EMO**	35.96	31.54	-12.3	16.0
CLEARBRIDGE MLP&MDSTM TR **CTR**	37.34	31.85	-14.7	12.0
ClearBridge MLP & Midstm **CEM**	41.72	35.40	-15.1	10.3
ChnStrInfr **UTF**	21.71	21.01	-3.2	-17.6
Cohen&SteersQualInc **RQI**	11.95	11.13	-6.9	-17.1
CohenStrs Real Est and I **RLTY**	15.40	13.78	-10.5	-5.8
Cohen&Steers TotRet **RFI**	11.26	10.92	-3.0	-15.5
CohenStrsREITPrefInc **RNP**	19.41	18.47	-4.8	-9.8
Columbia Sel Prm Tech Gr **STK**	27.48	29.57	+7.6	16.6
DNP Select Income **DNP**	7.89	10.01	+26.8	-2.1
Duff&Ph Uti&Infra Inc Fd **DPG**	NA	9.20	NA	-32.5
EtnVncEqtyInc **EOI**	16.59	16.36	-1.4	12.0
EtnVncEqtyIncoII **EOS**	18.77	17.90	-4.6	9.2
EVRskMnDvsEqInc **ETJ**	8.53	7.96	-6.7	-5.3
ETnVncTxMgdBuyWrtInc **ETB**	14.16	13.26	-6.4	-10.2
EtnVncTxMgdBuyWrtOpp **ETV**	13.09	12.63	-3.5	-8.2
EvTxMnDvsEqInc **ETY**	12.46	12.05	-3.3	0.4
EtnVncTxMgdGlbB **ETW**	8.84	7.89	-10.7	-3.9
EVTxMnGblDvEqInc **EXG**	8.56	7.69	-10.2	0.6
Ecofin S&S Impact Term **TEAF**	15.30	12.57	-17.8	-7.4
First Trust Energy Inc G **FEN**	15.58	13.82	-11.3	-0.3
First Tr Enhanced Eq **FFA**	18.23	18.12	-0.6	14.6
FirstTrEnergyInfra **FIF**	17.11	15.02	-12.2	4.8
FirstTrMLPEner&Inc **FEI**	9.28	8.03	-13.5	4.6
Gabelli Healthcare **GRX**	NA	9.28	NA	-11.0
Gab Utility **GUT**	NA	6.71	NA	1.7
GAMCOGlGold&NatRes **GGN**	NA	3.77	NA	19.9
J Han Finl Opptys **BTO**	NA	25.87	NA	-22.8
Neuberger Brmn Enrgy I&I **NML**	NA	7.04	NA	6.2

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
Neuberger Nxt Gen Conn **NBXG**	NA	10.80	NA	11.6
Nuv Dow 30 Dyn Overwrite **DIAX**	15.90	14.10	-11.3	-4.7
NuvCorEqAlpha **JCE**	13.24	12.96	-2.1	6.8
Nuveen Nasdaq 100 Dyn Ov **QQQX**	24.27	23.08	-4.9	8.1
Nuv Real Est **JRS**	8.30	7.15	-13.9	-17.9
NuvS&P500DynOvFd **SPXX**	16.33	15.20	-6.9	1.2
NuvSP500BuyIncFd **BXMX**	13.96	13.16	-5.7	3.1
ReavesUtilityIncome **UTG**	25.96	26.09	+0.5	-13.3
Tortoise Enrgy Infra Crp **TYG**	35.31	29.68	-15.9	-7.7
Tortoise Midstream Enrgy **NTG**	41.42	34.47	-16.8	-0.1
VDivInt&PremStr **NFJ**	13.99	11.98	-14.4	5.4
V Art Int&Tech Opps **AIO**	19.28	18.02	-6.5	12.7
Income & Preferred Stock Funds				
CalamosStratTot **CSQ**	14.63	14.82	+1.3	10.1
CohenStrsLtdDurPref&Inc **LDP**	19.72	17.71	-10.2	-3.3
CohenStrsSelPref&Income **PSF**	19.35	17.93	-7.3	-6.4
CohenStrsTaxAvPreSecs&I **PTA**	19.27	18.00	-6.6	3.6
FirstTrIntDurPref&Inc **FPF**	17.47	14.99	-14.2	-11.4
JHanPrefInc **HPI**	NA	14.95	NA	-10.4
JHPrefIncII **HPF**	NA	15.04	NA	-9.5
HnckJPfdInco III **HPS**	NA	13.86	NA	-5.6
J Han Prm **PDT**	NA	9.93	NA	-28.2
LMP CapInco **SCD**	14.79	13.17	-11.0	9.1
Nuveen Multi-Asset Inc **NMAI**	13.56	11.73	-13.5	2.5
Nuveen Pref & Inc Opp **JPC**	7.40	6.48	-12.4	-9.2
Nuveen Fd **JPS**	7.37	6.37	-13.6	-5.4
Nuveen Pref & Inc Term **JPI**	18.28	17.22	-5.8	-7.0
Nuveen Var Rate P&I **NPFD**	18.58	16.08	-13.5	-8.0
TCW Strat Income **TSI**	5.05	4.67	-7.5	-1.2
Convertible Sec's. Funds				
AdvntCnvrtbl&IncFd **AVK**	12.23	11.24	-8.1	-6.4
CalamosConvHi **CHY**	10.52	11.64	+10.6	1.9
CalmosConvOp **CHI**	9.97	10.96	+9.9	3.8
Ellsworth G&I Fund Ltd **ECF**	NA	8.42	NA	-5.5
V Conv & Inc **NCV**	3.70	3.23	-12.7	-6.5
V Conv & Inc II **NCZ**	3.29	2.91	-11.6	-4.2
V Div Inc & Conv **ACV**	20.54	18.89	-8.0	-4.2
V Eqty & Conv Inc **NIE**	22.92	20.35	-11.2	7.9
World Equity Funds				
abrdn Emg Mkts Eq Inc **AEF**	5.88	5.01	-14.8	2.5
abrdn Glbl Dyn Div **AGD**	10.63	9.15	-13.9	2.2
abrdn Tot Dyn Div **AOD**	9.19	7.83	-14.8	5.0
Allspring Gl Div Oppty **EOD**	4.82	4.36	-9.5	-5.4
BlackRock Cap Alloc Term **BCAT**	16.99	14.72	-13.4	7.8
Calamos GloDynInc **CHW**	6.59	5.87	-11.0	-12.4
EV TxAdvGlbDivInc **ETG**	18.18	16.37	-10.0	0.7
EtnVncTxAdvOpp **ETO**	24.68	22.46	-9.0	1.5
FirstTr Dyn Euro Eq Inc **FDEU**	13.27	12.71	-4.2	27.2
Gabelli Multimedia **GGT**	NA	6.34	NA	0.1
GDL Fund **GDL**	NA	7.90	NA	2.3
Highland Global Alloc **HGLB**	NA	8.21	NA	-10.8
India Fund **IFN**	16.58	16.86	+1.7	12.3
Japan Smaller Cap **JOF**	8.87	7.36	-17.0	20.1
LazardGlbTotRetInc **LGI**	16.82	14.39	-14.4	-4.8
Mexico **MXF**	NA	16.80	NA	27.8
Miller/Howard High Inc E **HIE**	NA	10.20	NA	5.0
MS ChinaShrFd **CAF**	15.28	12.39	-18.9	-17.0
MS India **IIF**	27.91	22.65	-18.8	6.6
MS CBRE Gl In Mg Term **MEGI**	14.90	13.03	-12.6	-8.6
New Germany **GF**	NA	8.60	NA	9.2
Nuveen Rl Asst Inc & Gro **JRI**	12.93	11.00	-14.9	-9.3
Templeton Dragon **TDF**	10.30	8.74	-15.1	-17.0
Templeton Em Mkt **EMF**	13.48	11.54	-14.4	7.1

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
BlckRk Income **BKT**	12.31	11.80	-4.1	8.8
Invesco HI 2023 Tgt Term **IHIT**	7.62	7.33	-3.8	5.7
Investment Grade Bond Funds				
Angel Oak FS Inc Trm **FINS**	13.77	12.15	-11.8	9.6
BlRck Core Bond **BHK**	10.56	10.23	-3.1	8.6
BR Credit Alloc Inc **BTZ**	11.07	10.10	-8.8	9.9
InvescoBond **VBF**	15.76	14.68	-6.9	5.3
J Han Income **JHS**	NA	10.63	NA	4.1
MFS Intmdt **MIN**	2.88	2.70	-6.3	0.0
Western Asset Inf-Lk Inc **WIA**	9.48	8.12	-14.3	14.5
Western Asset Inf-Lk O&I **WIW**	10.16	8.61	-15.3	12.6

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
Westn Asst IG Def Opp Tr **IGI**	16.88	15.97	-5.4	4.9
Loan Participation Funds				
Apollo Senior Floating **AFT**	NA	13.42	NA	10.1
BR Debt Strategy **DSU**	10.83	10.32	-4.7	9.2
BR F/R Inc Str **FRA**	13.29	12.60	-5.2	9.2
BlackRock Floatng Rt Inc **BGT**	12.91	12.17	-5.7	9.3
BS SFR 2027 T **BSL**	NA	13.16	NA	9.1
BS St Cr 2027 Tm **BGB**	NA	11.17	NA	9.3
EtnVncFltRteInc **EFT**	13.26	12.30	-7.2	9.6
EV SenFlRtTr **EFR**	13.04	12.08	-7.4	9.4
FT/Sr Fltg Rte Inc 2 **FCT**	11.08	10.03	-9.5	9.4
Highland Oppty & Income **HFRO**	NA	8.15	NA	11.2
InvDYCrOpp:AX **VTA**	11.12	NA	NA	NA
InvSnrIncTr **VVR**	4.15	3.93	-5.3	14.1
Nuveen Credit Strat Inc **JQC**	5.87	5.12	-12.8	10.9
NuvFloatRateIncFd **JFR**	9.22	8.25	-10.5	10.9
High Yield Bond Funds				
abrdn Inc Credit Str **ACP**	6.92	7.05	+1.9	17.1
AllianceBernGlHiIncm **AWF**	10.64	9.83	-7.6	8.8
Allspring Income Oppty **EAD**	7.11	6.30	-11.4	9.7
Barings Glb SD HY Bd **BGH**	NA	13.25	NA	10.8
BR Corporate HY **HYT**	9.38	9.20	-1.9	10.1
BlackRock Ltd Dur Inc **BLW**	13.74	13.29	-3.3	8.9
BNY Mellon Hi Yield Str **DHF**	2.56	2.21	-13.7	8.7
Brookfield Real Asst Inc **RA**	NA	12.80	NA	18.5
CrSuisHighYld **DHY**	2.12	1.89	-10.8	9.8
DoubleLine Inc Sol **DSL**	NA	12.05	NA	12.5
DoubleLine Yld Opps **DLY**	NA	14.62	NA	9.6
First Tr Hi Inc Lng/Shrt **FSD**	12.40	10.94	-11.8	11.3
First Trust HY Opp:2027 **FTHY**	15.31	13.53	-11.6	11.1
Franklin Univ **FT**	NA	6.68	NA	7.5
KKR Income Opportunities **KIO**	13.09	12.09	-7.6	10.9
New Amer Hi Inc **HYB**	7.91	6.72	-15.0	7.7
Nuveen Global High Inc **JGH**	12.82	11.42	-10.9	11.0
PGIM Global High Yield **GHY**	12.47	11.30	-9.4	11.2
PGIM High Yield Bond **ISD**	13.58	12.26	-9.7	10.2
PGIM Sh Dur Hi Yld Opp **SDHY**	17.12	15.10	-11.8	8.4
PioneerHiIncm **PHT**	7.75	6.89	-11.1	9.9
WstAstHIF II **HIX**	4.72	4.87	+3.2	12.1
Western Asset Hi Inc Opp **HIO**	4.23	3.78	-10.6	9.3
Western Asset Hi Yld D O **HYI**	12.43	11.66	-6.2	9.8
Other Domestic Taxable Bond Funds				
Allspring Multi-Sector **ERC**	9.80	9.52	-2.9	8.8
Ares Dynamic Crdt Alloc **ARDC**	14.14	12.81	-9.4	10.1
BlackRock Mlt-Sctr Inc **BIT**	14.39	14.79	+2.8	10.0
BlackRock Tax Muni Bd **BBN**	17.22	15.72	-8.7	7.8
DoubleLine:Oppor Crdt Fd **DBL**	NA	14.32	NA	9.2
EVLmtDurIncm **EVV**	10.33	9.18	-11.1	11.8
Franklin Ltd Dur Income **FTF**	NA	6.25	NA	11.5
J Han Investors **JHI**	NA	12.60	NA	7.2
MFS Charter **MCR**	6.69	6.10	-8.8	0.0
NuvCorePlusImpact **NPCT**	11.43	9.65	-15.6	11.3
Nuveen Taxable Muni Inc **NBB**	16.51	15.01	-9.1	6.1
PIMCO Corp & Inc Oppty **PTY**	10.60	13.95	+31.6	11.1
PIMCO Corp & Inc Strat **PCN**	10.91	13.90	+27.4	10.8
PIMCOHiInco **PHK**	4.39	4.84	+10.3	11.7
PIMCO IncmStrFd **PFL**	7.56	7.88	+4.2	12.4
PIMCO IncmStrFd II **PFN**	6.66	6.79	+2.0	12.5
Putnam Prem Inc **PPT**	3.78	3.49	-7.7	8.8
Western Asset Dvsfd Inc **WDI**	15.19	13.75	-9.5	11.4
World Income Funds				
abrdn AP IncFd **FAX**	3.00	2.60	-13.3	12.6
MS EmMktDomDebt **EDD**	5.36	4.54	-15.3	6.3
PIMCO Dynamic Income **PDI**	16.74	17.80	+6.3	18.2
PIMCO Stratg Inc **RCS**	4.20	5.39	+28.3	11.1
Templeton Em Inc **TEI**	5.61	4.95	-11.8	11.1
Templtn Glbl Inc **GIM**	NA	4.00	NA	8.9
WstAstEmergDebt **EMD**	10.01	8.87	-11.4	10.1
Western Asset Gl Cr D Op **GDO**	12.69	12.05	-5.0	9.9
National Muni Bond Funds				
AllBerNatlMunInc **AFB**	11.95	10.13	-15.2	4.1
BlckRk Inv Q Mun **BKN**	12.64	10.80	-14.6	4.9
BlackRock Muni 2030 Tgt **BTT**	23.12	20.32	-12.1	3.4
BlackRock Muni **BFK**	11.27	9.59	-14.9	4.2
BlackRock Muni II **BLE**	11.64	9.88	-15.1	4.5
BlckRk Muni Inc Qly **BYM**	12.20	10.45	-14.3	4.6
BR MuniAssets Fd **MUA**	10.91	9.60	-12.0	5.5
BR MH Qly 2 **MUE**	11.12	9.35	-15.9	4.3
BR MuniHoldngs **MHD**	13.12	11.10	-15.4	4.3
BR MuniVest Fd **MVF**	7.66	6.48	-15.4	4.1
BR MuniVest 2 **MVT**	11.93	10.04	-15.8	4.2
BR MuniYield Fd **MYD**	11.68	9.91	-15.2	4.7
BR MuniYield Qlty **MQY**	12.77	10.95	-14.3	4.9
BR MuniYld Qlty2 **MQT**	11.31	9.63	-14.9	4.7
BR MuniYld Qly 3 **MYI**	12.05	10.31	-14.4	4.7
BNY Mellon Muni Bd Infra **DMB**	NA	10.51	NA	4.7
BNY Mellon Str Muni Bond **DSM**	NA	5.36	NA	5.0
BNY Mellon Strat Muni **LEO**	NA	5.66	NA	5.0
DWS Muni Inc **KTF**	NA	8.23	NA	3.9
EVMuniBd **EIM**	11.03	9.43	-14.5	4.4
EVMuniIncm **EVN**	10.93	9.37	-14.3	5.1
EVNatMuniOpp **EOT**	17.77	16.39	-7.8	4.5
InvAdvMuIncTrII **VKI**	9.35	7.97	-14.8	5.2
Invesco MuniOp **OIA**	6.10	6.33	+3.8	5.2
InvescoMuOppTr **VMO**	10.46	8.85	-15.4	5.1
InvescoMuTr **VKQ**	10.50	8.93	-15.0	5.1
InvescoQual Inc **IQI**	10.55	8.94	-15.3	5.1
InvTrInvGrMu **VGM**	10.81	9.12	-15.6	5.0
InvescoValMunInc **IIM**	12.93	11.23	-13.1	5.0
MAINSTAY:MK DEFTR MUN OP **MMD**	16.56	16.61	+0.3	5.6
NeubrgrBrm **NBH**	11.59	9.73	-16.0	5.2
Nuveen AMT-Fr Mu Val **NUW**	14.88	13.27	-10.8	3.4
Nuveen AMT-Fr Qlty Mun I **NEA**	12.21	10.22	-16.3	4.4
Nuveen AMT-Fr Mu CI **NVG**	13.06	10.97	-16.0	5.0
Nuveen Dyn Muni Opp **NDMO**	10.58	10.45	-1.2	7.9
Nuveen Mu Crdt Opps **NMCO**	11.32	10.98	-3.0	5.8
Nuv Muni Credit Income **NZF**	13.16	11.07	-15.9	4.9
NuvMuniHiIncOpp **NMZ**	10.55	9.99	-5.3	5.7
Nuveen Muni Val **NUV**	9.12	8.37	-8.2	3.9
Nuveen Quality Muni Inc **NAD**	12.62	10.65	-15.6	4.6
Nuveen Sel TF **NXP**	14.18	14.07	-0.8	4.0
PIMCO MuniInc **PMF**	9.16	9.16	0.0	5.8
PIMCOMuniIncII **PML**	8.47	8.53	+0.7	6.3
Pimco Muni III **PMX**	7.77	7.19	-7.5	6.0
PioneerHiIncAdv **MAV**	8.68	7.30	-15.9	5.9
PionrMuniHiIncOppty **MIO**	11.94	10.09	-15.5	5.8
PioneerMunHiIcm **MHI**	9.39	7.92	-15.7	6.0
Putnam Mgd Inc **PMM**	6.32	5.64	-10.8	5.9
Putnam Muni Opp **PMO**	10.76	9.71	-9.8	5.5
RiverNorth Flx Mu Inc II **RFMZ**	14.83	13.71	-7.6	7.7
RiverNorth Mgd Dur Mun I **RMM**	15.65	15.33	-2.0	7.1
Western Asset Mgd Muni **MMU**	11.25	9.58	-14.8	4.6
Single State Muni Bond				
BlackRock CA Mun **BFZ**	12.63	10.97	-13.1	3.9
BR MH CA Qly Fd Inc **MUC**	12.23	10.23	-16.4	4.4
BR MH NJ Qly **MUJ**	12.70	10.77	-15.2	4.7
BR MH NY Qly **MHN**	11.60	9.74	-16.0	4.3
BR MuniYld MI Qly **MIY**	12.54	10.48	-16.4	4.4
BR MuniYld NY Qly **MYN**	11.21	9.46	-15.6	4.2
BlackRock NY Mun **BNY**	11.50	9.64	-16.2	4.2
EVCAMuniBd **EVM**	10.01	8.48	-15.3	4.2
Eaton Vance NY Muni Bd **ENX**	10.27	9.03	-12.1	3.8
InvCaValMuIncTr **VCV**	10.70	9.05	-15.4	4.7
InvPAValMuIncTr **VPV**	11.23	9.41	-16.2	4.4
InvTrInvGrNYMu **VTN**	11.47	9.61	-16.2	4.4
Nuveen CA AMT-F Qual MI **NKX**	12.70	10.86	-14.5	4.7
Nuveen CA Val **NCA**	9.10	8.50	-6.6	3.8
NuveenCAQtyMuInc **NAC**	12.23	10.25	-16.2	4.5
NuvNJ Qual Muni Inc **NXJ**	13.24	11.14	-15.9	3.7
Nuveen NY AMT/Fr Qual MI **NRK**	11.56	9.79	-15.3	4.4
Nuveen NY Qual Muni Inc **NAN**	12.06	10.10	-16.3	4.5
Nuveen PA Qual Muni Inc **NQP**	12.81	10.76	-16.0	3.5
Nuveen VA Qlty Mun Inc **NPV**	11.96	10.32	-13.7	4.3
PIMCO CA **PCQ**	9.93	9.10	-8.4	5.8
PIMCOCAMuniII **PCK**	6.28	5.51	-12.3	5.2

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Alternative Strategies:I	4.79	NA	NA	-9.0
First Trust Hdg Strat;A	10.06	NA	NA	N
First Trust Hdg Str;I	10.06	NA	NA	N
Specialized Equity Funds				
Apollo Diversified RE:A	26.31	NA	NA	-8.7
Apollo Diversified RE:C	24.78	NA	NA	-9.4
Apollo Diversified RE:I	26.86	NA	NA	-8.5
ARK Venture	23.55	NA	NA	NS
ArrowMark Financial Corp **BANX**	NA	16.67	NA	NA
Bluerock Total Inc+ RE:A	32.12	NA	NA	-11.2
Bluerock Total Inc+ RE:C	29.96	NA	NA	-11.9
Bluerock Total Inc+ RE:I	32.96	NA	NA	-11.0
Bluerock Total Inc+ RE:L	31.62	NA	NA	-11.4
Bluerock Total Inc+ RE:M	30.09	NA	NA	-11.7
CBRE GlbRlEst **IGR**	5.54	5.01	-9.6	-18.4
CIM RA&C A	24.95	NA	NA	3.0
CIM RA&C C	24.30	NA	NA	2.1
CIM RA&C I	25.16	NA	NA	3.3
CIM RA&C L	24.71	NA	NA	2.7
Clarion Partners REI D	12.00	NA	NA	-0.2
Clarion Partners REI I	12.01	NA	NA	0.0
Clarion Partners REI S	12.02	NA	NA	-0.8
Clarion Partners REI T	11.99	NA	NA	-0.8
First Tr Real Assets;I	9.52	NA	NA	-1.9
Forum RE Income;I	9.28	NA	NA	NS
GS Real Est Div Inc:A	9.29	NA	NA	-7.8
GS Real Est Div Inc:C	9.27	NA	NA	-8.5
GS Real Est Div Inc:I	9.78	NA	NA	-7.5
GS Real Est Div Inc:L	9.29	NA	NA	-8.1
GS Real Est Div Inc:P	9.79	NA	NA	-7.4
GS Real Est Div Inc:W	9.46	NA	NA	-7.7
NexPointRlEstStrat;A	18.52	NA	NA	-9.5
NexPointRlEstStrat;C	18.74	NA	NA	-10.3
NexPointRlEstStrat;Z	18.75	NA	NA	-9.3
PIMCO Flexible REI;Inst	10.19	NA	NA	NS
PREDEX;I	26.67	NA	NA	-13.5
PREDEX;T	26.81	NA	NA	-13.6
PREDEX;W	26.81	NA	NA	-13.6
Principal Real Asst A	25.01	NA	NA	-0.9
Principal Real Asst Ins	25.11	NA	NA	-0.6
Principal Real Asst Y	25.34	NA	NA	-0.4
Redwood Rl Est;I	25.03	NA	NA	NS
SS Priv Venture & Gr:D	NA	NA	NA	NS
SS Priv Venture & Gr:I	NA	NA	NA	NS
SS Priv Venture & Gr:S	NA	NA	NA	NS
SS Priv Venture & Gr;T	NA	NA	NA	NS
The Private Shares;A	39.75	NA	NA	-6.5
The Private Shares;I	40.37	NA	NA	-6.3
The Private Shares;L	39.17	NA	NA	-6.8
Thirdline Real EstateI	10.17	NA	NA	6.8
USQ Core Real Estate:I	26.18	NA	NA	-11.7
USQ Core Real Estate:IS	26.24	NA	NA	-11.6
Versus Cap MMgr RE Inc:I	26.74	NA	NA	NE
Versus Capital Real Asst	27.43	NA	NA	2.7
Wildermuth:I	9.95	NA	NA	-24.6
Income & Preferred Stock Funds				
Alpha Alternative Assets	6.32	NA	NA	0.9
Calamos L/S Eqty and DI **CPZ**	17.65	15.37	-12.9	2.1
Carlyle AlpInv Pvt Mkt:I	NA	NA	NA	NS
Constitution Cap Acs A	NA	NA	NA	NS
Constitution Cap Acs D	NA	NA	NA	NS
First Trust Alt Opps;A	26.05	NA	NA	5.4
First Trust Alt Opps;A	26.45	NA	NA	6.2
Flat Rock Opportunity	18.90	NA	NA	10.8
Lord Abbett Spec Sit I:A	9.14	NA	NA	8.2
Lord Abbett Spec Sit I:I	9.14	NA	NA	9.0
Variant Altrntv Inc:Inst	29.44	NA	NA	8.9
Variant Impact;Instl	27.92	NA	NA	12.0
Convertible Sec's. Funds				
Calmos Dyn Conv and Inc **CCD**	19.36	20.08	+3.7	-2.3
World Equity Funds				
ACAP Strategic:A	17.17	NA	NA	9.7
ACAP Strategic:W	12.84	NA	NA	10.5
CalamosGlbTotRet **CGO**	10.05	9.30	-7.5	6.7
Cantor Fitzgerald SI:A	10.23	NA	NA	-6.2
Cantor Fitzgerald SI:C	10.18	NA	NA	NS
Cantor Fitzgerald SI:I	10.22	NA	NA	NS
Primark Priv Eq Inv:I	11.32	NA	NA	1.0
Sweater Cashmere	21.25	NA	NA	6.2
Thornburg Inc Bldr Opps **TBLD.O**	17.31	15.06	-13.0	13.5
VirtusTotalRetFd **ZTR**	NA	5.17	NA	NA

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
Arca US Treasury	NA	NA	NA	NE
Ellington Inc Opp:A	9.04	NA	NA	NA
Ellington Inc Opp:M	8.93	NA	NA	NA
Loan Participation Funds				
1WS Credit Income;A2	18.70	NA	NA	6.2
1WS Credit Income;Inst	19.00	NA	NA	6.1
Axonic Alternative Inc	19.63	NA	NA	9.0
Blackstone FR EI D	21.80	NA	NA	9.1
Blackstone FR EI I	21.77	NA	NA	9.3
Blackstone FR EI T	21.73	NA	NA	8.9
Blackstone FR EI T-I	22.26	NA	NA	8.9
Blackstone FR EI U	22.69	NA	NA	8.9
Bluerock HI Inst Crd:A	24.16	NA	NA	8.0
Bluerock HI Inst Crd:C	24.16	NA	NA	8.0
Bluerock HI Inst Crd:F	24.16	NA	NA	8.0
Bluerock HI Inst Crd:I	24.17	NA	NA	8.0
BNYM Alcntr Glb MS Cr Fd	90.48	NA	NA	NA
CliffwaterClFd;I	10.72	NA	NA	9.4
CliffwaterElFd;I	10.87	NA	NA	9.7
CNR Strategic Credit	7.59	NA	NA	19.5
Equalize Community Dev	9.25	NA	NA	3.6
FedProj&TrFinanceTendr	10.05	NA	NA	6.3
Flat Rock Core Income	20.50	NA	NA	7.1
Flat Rock Enhanced Inc	21.29	NA	NA	NS
InvDYCrOpp:A	11.13	NA	NA	9.3
InvDYCrOpp:R6	11.13	NA	NA	9.7
InvDYCrOpp:Y	11.13	NA	NA	9.6
Invesco Sr Loan A	5.92	NA	NA	11.0
Invesco Sr Loan C	5.93	NA	NA	10.3
Invesco Sr Loan IB	5.92	NA	NA	11.3
Invesco Sr Loan IC	5.92	NA	NA	11.1
Invesco Sr Loan Y	5.92	NA	NA	11.3
Lord Abbett FR Hi Inc:A	10.20	NA	NA	NS
Lord Abbett FR Hi Inc:I	10.20	NA	NA	NS
Monachil Credit Income:I	10.03	NA	NA	NS
Nomura Alt Inc;I	10.19	NA	NA	NS
OFS Credit Company **OCCI**	NA	7.92	NA	NA
Yieldstreet Prism	NA	NA	NA	8.5
High Yield Bond Funds				
Apollo Diversified Cd:A	21.68	NA	NA	8.3
Apollo Diversified Cd:C	21.67	NA	NA	7.8
Apollo Diversified Cd:F	21.68	NA	NA	10.9
Apollo Diversified Cd:I	21.67	NA	NA	8.5
Apollo Diversified Cd:L	21.67	NA	NA	8.1
Apollo Diversified Cd:M	21.68	NA	NA	8.0
Opprtnstc Crdt Intrvl;I	12.20	NA	NA	7.1
PIMCO Flexible Cr I;A-1	6.78	NA	NA	15.7
PIMCO Flexible Cr I;A-2	6.78	NA	NA	15.7
PIMCO Flexible Cr I;A-3	6.78	NA	NA	15.4
PIMCO Flexible Cr I;A-4	6.78	NA	NA	15.4
PIMCO Flexible Cr I;Inst	6.78	NA	NA	16.2
Other Domestic Taxable Bond Funds				
AFA MMC;Fndr	9.50	NA	NA	9.1
AFA MMC;Inst	9.54	NA	NA	9.1
Alternative Credit Inc:A	9.84	NA	NA	7.1
Alternative Credit Inc:C	9.95	NA	NA	6.3
Alternative Credit Inc:I	9.86	NA	NA	7.3
Alternative Credit Inc:L	9.84	NA	NA	6.8
Alternative Credit Inc:W	9.84	NA	NA	7.1
Angel Oak Str Crdt:FI	NA	NA	NA	7.9
Angel Oak Str Crdt:Inst	NA	NA	NA	8.6
BR Credit Strat;A	8.69	NA	NA	7.1
BR Credit Strat;Inst	8.66	NA	NA	8.0
BR Credit Strat;U	8.69	NA	NA	7.1
BR Credit Strat;W	8.69	NA	NA	7.1
BlackRock Mlt-Sctr Oppty	67.39	NA	NA	9.0
BlackRock Mlt-Sec Opp II	69.82	NA	NA	9.0
CION Ares Dvsfd Crdt;A	NA	NA	NA	7.1
CION Ares Dvsfd Crdt;C	NA	NA	NA	6.5
CION Ares Dvsfd Crdt;I	NA	NA	NA	7.3
CION Ares Dvsfd Crdt;L	NA	NA	NA	6.9
CION Ares Dvsfd Crdt;U	NA	NA	NA	6.6
CION Ares Dvsfd Crdt:U2	NA	NA	NA	6.6
CION Ares Dvsfd Crdt;W	NA	NA	NA	6.9
CNR Select Strategies	13.12	NA	NA	0.0
First Eagle Crdt Opps A	23.62	NA	NA	9.7
First Eagle Crdt Opps A2	23.58	NA	NA	9.4
First Eagle Crdt Opps I	23.54	NA	NA	10.2
First Trust Private Cr;A	10.28	NA	NA	NS
First Trust Private Cr;I	10.30	NA	NA	5.4
Franklin BSP Pvt Cr:A	10.35	NA	NA	NS
Franklin BSP Pvt Cr:Adv	10.35	NA	NA	NS
FS Credit Income;A	11.88	NA	NA	7.8
FS Credit Income;I	11.91	NA	NA	8.1
FS Credit Income;T	11.90	NA	NA	7.6
FS Credit Income;U	11.86	NA	NA	7.3
FS Credit Income;U-2	11.95	NA	NA	7.6
GL Beyond Income	0.41	NA	NA	NE
KKR CREDIT OPPTY;D	NA	NA	NA	8.2
KKR CREDIT OPPTY;I	NA	NA	NA	8.5
KKR CREDIT OPPTY;T	NA	NA	NA	7.8
KKR CREDIT OPPTY;U	NA	NA	NA	7.8
Palmer Square Opp Inc	17.56	NA	NA	8.8
World Income Funds				
BlueBay Destra Itl E:A	23.53	NA	NA	13.1
BlueBay Destra Itl E:I	23.55	NA	NA	13.3
BlueBay Destra Itl E:L	23.50	NA	NA	12.9
BlueBay Destra Itl E:T	23.39	NA	NA	12.8
Calamos-Aksia ACI:A	10.23	NA	NA	NS
Calamos-Aksia ACI:C	10.20	NA	NA	NS
Calamos-Aksia ACI:I	10.23	NA	NA	NS
Calamos-Aksia ACI:M	10.21	NA	NA	NS
Carlyle Tact Pvt Cred:A	8.45	NA	NA	9.7
Carlyle Tact Pvt Cred:I	8.49	NA	NA	10.3
Carlyle Tact Pvt Cred:L	8.45	NA	NA	9.7
Carlyle Tact Pvt Cred:M	8.49	NA	NA	9.5
Carlyle Tact Pvt Cred:N	8.45	NA	NA	10.3
Carlyle Tact Pvt Cred:U	8.50	NA	NA	NS
Carlyle Tact Pvt Cred:Y	8.45	NA	NA	10.1
Fid MS Cr;A	10.10	NA	NA	NS
Fid MS Cr;C	10.10	NA	NA	NS
Fid MS Cr;I	10.10	NA	NA	NS
Fid MS Cr;L	10.10	NA	NA	NS
Lord Abbett Cred Opps Fd	8.87	NA	NA	8.4
Lord Abbett Cred Opps Fd	8.87	NA	NA	9.1
Lord Abbett Crd Op:U	8.88	NA	NA	8.4
Oaktree Dvsfd Income;D	8.97	NA	NA	8.2
PIMCO Flexible EM I;Inst	8.02	NA	NA	9.3
National Muni Bond Funds				
Ecofin Tax-Exempt Prv Cr	NA	NA	NA	5.1
Lind Cap Pt Mun Cred Inc	8.60	NA	NA	4.5
Nuveen En HY Muni Bd:A1	7.10	NA	NA	5.4
Nuveen En HY Muni Bd:A2	7.11	NA	NA	5.7
Nuveen En HY Muni Bd:I	7.10	NA	NA	6.2
PIMCO Flex Mun Inc;A-3	9.75	NA	NA	3.5
PIMCO Flex Mun Inc:A1	9.75	NA	NA	3.8
PIMCO Flex Mun Inc;A2	9.75	NA	NA	3.8
PIMCO Flex Mun Inc;Inst	9.75	NA	NA	4.3
Single State Muni Bond				
PIMCO CA FMI;A-1	9.86	NA	NA	NS
PIMCO CA FMI;Inst	9.86	NA	NA	3.5

Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Refinitiv on September 8, and year-to-date stock performance of the company

KEY: B: beneficial owner of more than 10% of a security class **CB:** chairman **CEO:** chief executive officer **CFO:** chief financial officer **CO:** chief operating officer **D:** director **DO:** director and beneficial owner **GC:** general counsel **H:** officer, director and beneficial owner **I:** indirect transaction filed through a trust, insider spouse, minor child or other **O:** officer **OD:** officer and director **P:** president **UT:** unknown **VP:** vice president Excludes pure options transactions

Biggest weekly individual trades

Based on reports filed with regulators this past week

Date(s)	Company	Symbol	Insider	Title	No. of shrs in trans (000s)	Price range ($) in transaction	$ Value (000s)	Close ($)	Ytd (%)
Buyers									
Sept. 6	**Globalstar**	**GSAT**	J. Monroe	DOI	5,080	1.52	**7,722**	1.45	9.0
Aug. 31	**Mirum Pharmaceuticals**	**MIRM**	P. Heron	DOI	148	26.25	**3,885**	29.73	52.5
Aug. 30-31	**Asana**	**ASAN**	D. Moskovitz	CEO	160	21.47-21.76	**3,458**	20.10	46.0
Aug. 29	**ARS Pharmaceuticals**	**SPRY**	P. Thompson	DI	500	6.20	**3,100**	7.37	-13.6
Sept. 5-6	**Heartland Express**	**HTLD**	M. Gerdin	CEOI	109	14.86-14.87	**1,626**	15.18	-1.0
Aug. 30	**Catalent**	**CTLT**	J. Greisch	ODI	21	50.24	**1,055**	48.48	7.7
Sept. 6	**Axalta Coating Systems**	**AXTA**	K. Stein	DI	37	27.38	**1,002**	27.00	6.0
Sept. 5	**Energy Transfer**	**ET**	M. Mccrea	CEO	50	13.79	**690**	13.76	15.9
Sept. 1			M. Mccrea	CEO	50	13.64	**682**		
Aug. 31-Sept. 5	**Grindr**	**GRND**	G. Zage	DO	100	5.14-5.21	**517**	5.88	26.5
Sept. 5-6	**Lakeland Financial**	**LKFN**	M. Welch	DI	10	50.80-50.98	**509**	50.41	-30.9
Sept. 1-6	**Porch Group**	**PRCH**	M. Ehrlichman	CEO	624	.73-.82	**476**	0.81	-57.0
Sept. 6	**Rubicon Technologies**	**RBT**	H. Chico	D	687	.52	**356**	0.47	-73.6
Sept. 5	**Aspen Aerogels**	**ASPN**	S. Mitchell	D	50	6.17	**308**	6.33	-46.3
Sept. 6	**Douglas Dynamics**	**PLOW**	R. Mccormick	CEOI	10	30.71	**307**	31.74	-12.2
Aug. 28-31	**Nutex Health**	**NUTX**	T. Vo	CEOI	1,000	.28-.31	**296**	0.27	-86.0
Sept. 5	**Ingredion**	**INGR**	D. Seip	O	3	98.50	**296**	99.89	2.0
Sept. 6	**PENN Entertainment**	**PENN**	F. Hendrix	CFO	11	22.41	**250**	22.15	-25.4
Sellers									
Sept. 1	**ConocoPhillips**	**COP**	R. Lance	CEO	569	122.14	**69,547**	122.72	4.0
Aug. 29	**Globalstar**	**GSAT**	P. Jacobs	CEOI	36,388	1.13	**41,286**	1.45	9.0
Aug. 30-Sept. 1	**Advanced Drainage Systems**	**WMS**	R. Jones	DI	225	128.07-131.08	**29,117**	121.59	48.3
Aug. 30-Sept. 1			A. Seetharam	DI	225	128.07-131.08	**29,117**		
Sept. 1-5	**NVIDIA**	**NVDA**	J. Huang	CEO	59	478.97-497.82	**28,829**	455.72	211.8
Sept. 6			J. Huang	CEO	30	466.87-485.44	**13,999**		
Aug. 31-Sept. 1	**Seagate Technology Holdings**	**STX**	W. Mosley	CEO	299	69.34-74.01	**21,270**	65.37	24.3
Sept. 5	**Ares Management**	**ARES**	D. Kaplan	ODI	200	102.52-104.01	**20,693**	105.96	54.8
Aug. 30-31	**Paylocity Holding**	**PCTY**	S. Sarowitz	DO	83	199.72-204.85	**16,677**	195.31	0.5
Aug. 31	**Amphenol**	**APH**	J. Gavelle	O	176	88.24	**15,547**	85.89	12.8
Sept. 5-6	**DoorDash**	**DASH**	W. Tang	D	186	81.96-83.76	**15,434**	82.17	68.3
Sept. 1	**Microsoft**	**MSFT**	S. Nadella	CEO	38	327.56-331.24	**12,557**	334.27	39.4
Sept. 1			K. Hogan	O	27	327.37	**8,778**		
Sept. 6	**Broadridge Financial Solutions**	**BR**	T. Gokey	CEO	59	185.63	**11,015**	187.73	40.0
Sept. 1	**Palo Alto Networks**	**PANW**	L. Klarich	O	45	241.02-243.83	**10,892**	248.74	78.3
Sept. 1			N. Zuk	CT	36	241.07-243.80	**8,712**		
Sept. 1-5	**Automatic Data Processing**	**ADP**	J. Ayala	O	40	253.90-254.79	**10,080**	249.37	4.4
Aug. 22	**Celsius Holdings**	**CELH**	T. David	O	55	176.17-179.00	**9,795**	201.63	93.8

* Half the transactions were indirect ** Two day transaction
p - Pink Sheets

Buying and selling by sector

Based on actual transaction dates in reports received this past week

Sector	Buying	Selling
Basic Industries	1,371,275	20,301,454
Capital Goods	1,091,110	105,138,015
Consumer durables	115,200	9,147,710
Consumer non-durables	571,456	44,876,980
Consumer services	13,398,684	135,242,255
Energy	1,923,092	38,975,280
Finance	2,307,977	70,478,066
Health care	17,527,952	79,665,554
Public Utilities	113,805	10,567,582
Technology	4,017,858	450,345,811
Transportation	1,826,692	6,615,186

Sources: Refinitiv; Dow Jones Market Data

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

September 8, 2023

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	July index level	Chg From (%) June '23	July '22
U.S. consumer price index			
All items	**305.691**	0.19	3.2
Core	**309.402**	0.16	4.7

International rates

	Latest	Week ago	52-Week High	52-Week Low
Prime rates				
U.S.	**8.50**	8.50	8.50	5.50
Canada	**7.20**	7.20	7.20	4.70
Japan	**1.475**	1.475	1.475	1.475
Policy Rates				
Euro zone	**4.25**	4.25	4.25	0.50
Switzerland	**2.25**	2.25	2.25	0.25
Britain	**5.25**	5.25	5.25	1.75
Australia	**4.10**	4.10	4.10	2.35
Overnight repurchase				
U.S.	**5.31**	5.35	5.35	2.26

U.S. government rates

	Latest	Week ago	52-Week High	52-Week Low
Discount	**5.50**	5.50	5.50	2.50
Federal funds				
Effective rate	**5.3400**	5.3400	5.3400	2.3300
High	**5.6500**	5.6500	5.6500	2.4500
Low	**5.3100**	5.3200	5.3200	2.3000
Bid	**5.3300**	5.3300	5.3300	2.3200
Offer	**5.3500**	5.3500	5.3700	2.3400
Treasury bill auction				
4 weeks	**5.280**	5.280	5.840	2.500
13 weeks	**5.315**	5.340	5.340	2.965
26 weeks	**5.300**	5.350	5.350	3.320

Secondary market

Fannie Mae 30-year mortgage yields	Latest	Week ago	52-Week High	52-Week Low
30 days	**6.616**	6.489	6.881	5.244
60 days	**6.631**	6.501	6.988	5.250

Other short-term rates

	Latest	Week ago	52-Week high	52-Week low
Call money	**7.25**	7.25	7.25	4.25
Commercial paper (AA financial)				
90 days	**n.a.**	n.a.	5.54	2.77
Secured Overnight Financing Rate	**5.31**	5.31	5.31	2.25

DTCC GCF Repo Index	Latest	Value Traded	52-Week High	52-Week Low
Treasury	**5.353**	21.516	5.367	2.221
MBS	**5.397**	54.750	5.407	2.319

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective July 27, 2023. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective July 27, 2023. **Secured Overnight Financing Rate** is as of September 7, 2023. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

Cash Prices | wsj.com/market-data/commodities

Friday, September 8, 2023

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Friday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	70.000
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	14.300
Metals	
Gold, per troy oz	
Engelhard industrial	1922.00
Handy & Harman base	1927.80
Handy & Harman fabricated	2139.86
LBMA Gold Price AM	*1919.85
LBMA Gold Price PM	*1918.35
Krugerrand,wholesale-e	2005.56
Maple Leaf-e	2053.54
American Eagle-e	2053.54
Mexican peso-e	2475.96
Austria crown-e	1884.20
Austria phil-e	2015.16
Silver, troy oz.	
Engelhard industrial	23.0500
Handy & Harman base	22.9430
Handy & Harman fabricated	28.6790
LBMA spot price	*£18.4700
(U.S.$ equivalent)	*23.0100
Coins,wholesale $1,000 face-a	19545
Other metals	
LBMA Platinum Price PM	*904.0
Platinum,Engelhard industrial	905.0
Palladium,Engelhard industrial	1220.0
Aluminum, LME, $ per metric ton	*2135.0
Copper,Comex spot	3.6805
Iron Ore, 62% Fe CFR China-s	*117.7
Steel, HRC USA, FOB Midwest Mill-s	*735.0
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,w	28975
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	26725
BMI Cobalt sulphate, EXW China, >20.5% -v,m	4795
BMI Nickel Sulphate, EXW China, >22%-v,m	4281
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	578
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.7075
Cotton,1 1/16 std lw-mdMphs-u	0.8216
Cotlook 'A' Index-t	*97.40
Hides,hvy native steers piece fob-u	n.a.
Wool,64s,staple,Terr del-u,w	n.a.
Grains and Feeds	
Bran,wheat middlings, KC-u,w	145
Corn,No. 2 yellow,Cent IL-bp,u	4.6100
Corn gluten feed,Midwest-u,w	156.6
Corn gluten meal,Midwest-u,w	562.2
Cottonseed meal-u,w	350
Hominy feed,Cent IL-u,w	145
Meat-bonemeal,50% pro Mnpls-u,w	443
Oats,No.2 milling,Mnpls-u	4.6000
Rice, Long Grain Milled, No. 2 AR-u,w	37.25
Sorghum,(Milo) No.2 Gulf-u	n.a.
SoybeanMeal,Cent IL,rail,ton48%-u,w	420.70
Soybeans,No.1 yllw IL-bp,u	13.3000
Wheat,Spring14%-pro Mnpls-u	8.7075
Wheat,No.2 soft red,St.Louis-u	5.2225
Wheat - Hard - KC (USDA) $ per bu-u	7.6500
Wheat,No.1soft white,Portld,OR-u	6.8500
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	287.82
select 1-3,600-900 lbs.-u	262.15
Broilers, National comp wtd. avg.-u,w	1.1526
Butter,AA Chicago-d	2.6800
Cheddar cheese,bbl,Chicago-d	182.75
Cheddar cheese,blk,Chicago-d	192.50
Milk,Nonfat dry,Chicago lb.-d	110.00
Coffee,Brazilian,Comp-y	1.5152
Coffee,Colombian, NY-y	1.8198
Eggs,large white,Chicago-u	1.5750
Flour,hard winter KC-p	18.70
Hams,17-20 lbs,Mid-US fob-u	0.97
Hogs,Iowa-So. Minnesota-u	84.59
Pork bellies,12-14 lb MidUS-u	n.a.
Pork loins,13-19 lb MidUS-u	1.1642
Steers,Tex.-Okla. Choice-u	179.00
Steers,feeder,Okla. City-u,w	n.a.
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	n.a.
Grease,choice white,Chicago-h	0.6600
Lard,Chicago-u	n.a.
Soybean oil,crude;Centl IL-u,w	0.6615
Tallow,bleach;Chicago-h	0.6950
Tallow,edible,Chicago-u	n.a.

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 9/7

Source: Dow Jones Market Data

Drillers Target Long Wells

Continued from page B1

But some producers are boring so far underground with each lateral well that analysts say they are nearing the point of diminishing financial returns. In the longer term, energy experts warn that the technological advance won't be enough to reverse a structural decline in U.S. shale output in the coming years.

"How else can they show their investors that they're getting better?" said Alexandre Ramos-Peon, head of shale research at Rystad Energy.

"We have probably reached the maximum we can do on a per-well basis," he added. "Then it's just a matter of being a volume game or waiting for the next technology breakthrough."

Horizontal wells drilled across U.S. shale basins this year will collectively stretch about 24,680 miles, Rystad projects, six times their 2008 total and nearly as long as the earth is round. The company said 16% of wells drilled this year in the oil-rich Permian basin, which spans West Texas and New Mexico, extended laterally beyond 12,500 feet. Only 1% did so five years ago.

By drilling longer, companies have propped up and in some cases expanded their output despite much of the best land already being tapped.

ConocoPhillips, **Occidental Petroleum** and **Pioneer Natural Resources** all recently said they would churn out slightly more crude in 2023 than previously projected. Such performances contributed in August to U.S. officials bumping their forecasts for oil-and-gas production this year and next to records. "It has certainly surprised to the upside in terms of how resilient the industry has been," Stifel analyst Derrick Whitfield said.

The gusher has blunted the impact of crude-production cuts in recent months by Saudi Arabia and Russia, weighing on prices at the pump. Front-month futures for West Texas Intermediate crude have traded at levels below traders' projections for much of the year, only recently rallying to $87.51 a barrel.

Benchmark natural-gas futures have remained relatively stable this summer, trading Friday at $2.6050 per million British thermal units, even as Americans cranked up air conditioners in record-setting heat.

Boring farther to extract such supplies leads to more technical difficulties and geologic uncertainties, analysts say. Unexpected fractures in shale rock can destabilize operations and lead to costly equipment issues.

Companies have grown more sophisticated in mapping out such underground fault lines, said Alexandros Savvaidis, lead seismologist and manager of the Texas Seismological Network at the University of Texas at Austin. But it is likely they don't know about all of them.

To avoid the minor earthquakes that Savvaidis and his colleagues have tied to shale activity in Texas in recent years, he added, "you try to avoid the faults that are sensitive."

Analysts say the longest laterals are concentrated among gas producers, rather than their oil-focused counterparts, in part because of the makeup of the prolific Marcellus formation that stretches across Appalachia. Outside Pittsburgh, Range Resources boasts a contiguous position of about 450,000 net acres.

—Benoît Morenne contributed to this article.

A Range Resources wellsite in Claysville, Pa., above and below. The company drilled on average the longest lateral wells last quarter of any U.S. gas producer.

NATE SMALLWOOD FOR THE WALL STREET JOURNAL (2)

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HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Drug Firms' Medicare Battle Could Last

Investors should watch sector's legal challenge

GABBY JONES FOR THE WALL STREET JOURNAL

The blood thinner Eliquis, which Bristol Myers shares with Pfizer, was among the first 10 drugs selected for price negotiations.

Investors haven't been taking pharma's legal effort against President Biden's drug pricing policy too seriously: When **Merck** became the first of several entities to sue the U.S. government this summer, its stock was among the worst large-cap laggards that day.

But as the industry unleashes a torrent of legal action in federal courts—with **Novartis** becoming the latest company to join the fray—investors should be paying closer attention as surprises could be in store.

While the eight lawsuits filed so far are all different, many of them invoke constitutional rights like the First Amendment's freedom of speech, the Fifth Amendment's takings clause and the Eighth Amendment's excessive-fines clause to argue that the law allowing Medicare to negotiate drug prices is unconstitutional. Rather than giving the Centers for Medicare and Medicaid Services the power to negotiate, the industry argues, the Inflation Reduction Act will effectively create price controls that force the industry to sell its drugs at unfair prices set by Medicare, or else pay excessive fines.

It could take years, but the legal crusade seems designed to eventually end up with the Supreme Court, experts say.

The lawsuits also could have an impact sooner. Drug companies and their allies are trying to stop the implementation of the law in its tracks, and any delay could be worth hundreds of millions of dollars for companies such as **Johnson & Johnson**, **Bristol-Myers Squibb** and **Amgen**, whose products were selected for price negotiations. Bristol Myers's blood thinner Eliquis (shared with **Pfizer**), which was among the first 10 drugs selected for price negotiations, brought in $11.8 billion in revenue in 2022, or 26% of Bristol Myers's sales.

For now, with most of the cases assigned to Democratic-appointed judges, all eyes are on the U.S. Chamber of Commerce lawsuit in Ohio, which has been assigned to Judge Michael Newman, a member of the conservative Federalist Society who was appointed by former President Donald Trump in 2020. The chamber is asking the judge to stop the program from moving forward and a decision could come as soon as this fall.

There is a high bar for obtaining an injunction because a plaintiff needs to show there would be irreparable harm if the process were to continue, said Carmel Shachar, assistant clinical professor at Harvard Law. "Often times the point of an injunction is to say, 'If we let the status quo continue, there's no coming back from this,' " she said. Allowing negotiations to start doesn't necessarily cause irreparable harm, she noted. But as the process unfolds, the chances of a judge putting a stop to the process could grow, says Chris Meekins, a Washington analyst at Raymond James.

While legal experts say each of the individual lawsuits faces an uphill battle, the industry's approach of throwing spaghetti against the wall does mean something could stick. While so far the only two cases assigned to Republican-appointed judges are the Ohio lawsuit and a lawsuit filed by **AstraZeneca** in Delaware, the most risky case from Biden's perspective could be the lawsuit filed by the industry lobbying group Pharmaceutical Research and Manufacturers of America in the Western District of Texas. While a Democratic-appointed judge has been assigned to that case, an appeal there would land in the conservative-leaning fifth circuit. The chances of an industry win in that appellate court would be high, Meekins says.

Harvard's Shachar thinks the law has a good chance of surviving, but she notes that in an era in which courts have shown growing skepticism toward administrative agency action, anything is possible. She says the industry argument that the government is unfairly taking their property, which is protected by patents, will be looked at seriously by some courts.

Biden's drug-pricing effort has put pressure on the pharmaceutical industry, with the NYSE Arca Pharmaceutical Index underperforming the S&P 500 by more than 10% so far this year. Any surprises in the legal realm could provide a boost to the industry.

—David Wainer

Case for Bitcoin ETF Trading Shifts

Investors have made a great deal of money betting that the Securities and Exchange Commission might finally approve an exchange-traded product that directly tracks the value of bitcoin. Yet now that such an approval appears even closer, making much more money might be trickier.

Among the best trades in crypto this year has been the narrowing gap between the price of bitcoin and the value of the $16 billion tradable vehicle that holds the digital currency, the **Grayscale Bitcoin Trust**. At times earlier this year, GBTC shares were trading at a 45%-plus discount to the value of bitcoin backing the shares. Now, following an August court decision that the SEC must reconsider its rejection of an application to convert GBTC to an exchange-traded fund, the discount has narrowed to around 17%.

So it is natural to wonder if the eventual full closing of that 17% gap is easy money. The conversion of GBTC into an exchange-traded product would allow market makers to arbitrage the discount by redeeming the shares for underlying bitcoin, leading the two prices to converge.

But there are still potentially several steps along the way to conversion, even if that is where things are headed. The SEC is now in a 45-day window in which it has to decide how to respond to the decision. Even if the agency doesn't appeal, the court's final order will give additional parameters regarding what the next actions might entail. The SEC said at the start of September that it will now give itself until mid-October to decide on a separate slate of spot bitcoin ETF applications.

One question is whether the SEC could approve some spot bitcoin ETF applications such as the one by **BlackRock**, but ask Grayscale to modify its application in a way to match those. Grayscale, in a letter to the SEC, anticipated this possibility, arguing that the reasoning of the court already shows that the surveillance of the futures market provided by the **CME Group** for bitcoin futures ETFs—which the SEC has approved—is sufficient.

Discount of shares of Grayscale Bitcoin Trust to the value of bitcoin held per share

Source: Grayscale

Even if the decision is approval, the timing might matter to investors. A sharp jump when the discount is closed could happen suddenly. But the gap also might ebb and flow over the course of several months as the process goes from step to step.

Plus, there is an even bigger factor: What happens to the price of bitcoin itself in the meantime? Though GBTC's discount has narrowed considerably from about 28% at the start of August, with a recent slump in the value of bitcoin, the price of GBTC is now below where it was in mid-August, before the court ruling.

The bottom line is that as the GBTC discount narrows, a rising price of bitcoin is increasingly important. So investors ought to have some faith in the digital currency itself before hoping to squeeze more out of this trade.

—Telis Demos

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JOURNAL REPORT

WORKPLACE TECHNOLOGY

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JUN CEN

Why New Technology Is So Stressful At Work—and What to Do About It

Anxiety over technological change is escalating, in part thanks to AI. Researchers and therapists have advice on how to deal with it.

BY SEÁN CAPTAIN

WHEN BEN Plomion took his latest job, he learned quickly that his tech skills were behind the times.

At 46, he's a decade or two older than most of his co-workers—and he's used to an earlier generation of software. While he was accustomed to presentation programs like PowerPoint or Google Slides, for instance, his young colleagues were working with an app called Canva.

"I went in all reluctantly, because I had to relearn everything I'd learned for the last 10 years," he says.

Plomion—chief marketing officer for a Los Angeles startup that works with crypto technology—is no Luddite. But he sometimes felt overwhelmed by the pace of change. Then came ChatGPT, and thousands of other artificial-intelligence apps. "Where do you start? What tool do you pick? And you're almost frozen by uncertainty and doubt and indeci-

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M.B.A. Students vs. ChatGPT: Who Wins?

We wanted to see who has the best ideas for a new product. It wasn't even close.

BY CHRISTIAN TERWIESCH AND KARL ULRICH

HOW GOOD is AI in generating new ideas?

The conventional wisdom has been not very good. Identifying opportunities for new ventures, generating a solution for an unmet need, or naming a new company are unstructured tasks that seem ill-suited for algorithms. Yet recent advances in AI, and specifically the advent of large language models like ChatGPT, are challenging these assumptions.

We have taught innovation, entrepreneurship and product design for many years. For the first assignment in our innovation courses at the Wharton School, we ask students to generate a dozen or so ideas for a new product or service. As a result, we have

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Christian Terwiesch and Karl Ulrich are professors of operations, information and decisions at the Wharton School of the University of Pennsylvania, where Terwiesch also co-directs the Mack Institute for Innovation Management. They can be reached at reports@wsj.com.

Inside

CAREER MAPPING MADE EASY
New tech tools are being deployed that can help workers identify their dream job and chart a path toward getting it. **R2**

Scan this code to learn how workers are using technology to improve concentration in the office.

IT Failures
Too many corporate technology projects go bust. Here are four reasons why, and what companies can do to fix things. **R7**

GETTING SMART ABOUT AI
Scientists and authors recommend these five books to help you understand AI and where it might be headed. **R8**

Tech Tools That Could Help You Land Your Dream Job

Technology can map out where you want to go in your career, and what you need to get there

BY BETH DECARBO

WITH HELP from a growing suite of tech tools, employees can both discover their dream job and map a path toward getting it.

Many companies are deploying internal "talent marketplaces" to give their employees the power to take their careers to the next level. These career-mapping portals include job postings, of course, but they also connect employees with educational, training and mentoring resources to facilitate their advancement. Especially attractive are opportunities to work on short-term projects outside of their current role or physical location, thus broadening their work experience.

Providing employees with such tech tools "democratizes career development," says Tim McGonigle, vice president at nonprofit Human Resources Research Organization, or HumRRO. The built-in transparency gives everyone a shot at job opportunities, even those that their mentor or manager may not suggest. Companies benefit as well, McGonigle adds, since "providing information about how employees can flourish is key to growth and retention."

Few opportunities

There's no doubt that employees are hungry for such assistance. In 2022, over 72 million employees left their jobs, according to a Bureau of Labor Statistics survey. And of those, 70% quit voluntarily. In a separate survey last year by the Society for Human Resource Management, 61% of HR professionals cited the lack of career development and advancement as one of the main drivers of employee turnover.

Nestlé USA deployed an online talent marketplace in 2020, and it now has nearly 5,000 registered users, according to a spokeswoman. From the platform, employees can apply for companywide job postings, and managers can discover potential job candidates in unexpected places, she says. That functionality is key considering the number and variety of Nestlé brands, which include DiGiorno pizza, S.Pellegrino water and Purina pet food. So far, Nestlé employees have used the platform to form nearly 300 networking relationships with colleagues across different teams and businesses, the spokeswoman says.

> Companies also stand to benefit by helping employees flourish in their careers, HR professionals say.

The system Nestlé uses was created by Gloat, a New York-based software company. Noelle Bloomfield, Gloat's director of product marketing, explains how its career mapping works. Employees register and create a profile that details their current skills, as well as their long-term goals. Using artificial intelligence, the Gloat platform generates different "maps" for employees to consider. One is a "popular path" based on how co-workers with similar job experience and skills have advanced, such as an entry-level software engineer to a senior-level developer. The tool also creates career paths for employees interested in jobs outside of their current field, as well as paths that lead to people-management positions. Each step on these paths details the skills and work experience required to move to the next level. Available learning and mentoring resources—including opportunities to work on short-term projects—also are highlighted.

Planning ahead

Ideally, career planning starts long before the career does, says Kurt Kraiger, chair of the management department at the University of Memphis's college of business. Key to that plan is choosing a college major aligned with the student's interests.

"When I'm in a job that fits my interests, that predicts both longevity and performance" in that field, says Kraiger, an organizational psychologist. But challenges arise when college students with scant work experience must choose a major—a decision that might affect their career trajectory for decades to come.

To that end, Kraiger co-founded PathwayU, a career-planning platform with assessment tests that probe users' interests and values, which are the qualities that make work meaningful to them. Using predictive analytics, the tool then identifies viable college majors that are aligned with the student's profile. Each option includes an economic outlook outlining workforce demand and earnings potential for that specific field. Currently, 165 postsecondary schools are using the platform, a PathwayU spokesman says, including Florida International University in Miami.

"We use it for career discovery and career searches," says John P. Nykolaiszyn, director of the Office of Business Career Management at FIU. The platform is integrated into a 15-week career class required of undergraduate students in the College of Business, which has about 9,000 students.

Students use PathwayU's assessment tools to learn about careers that best match their interests and values, he says. They also can see and apply for posted jobs that would be a good fit.

The platform doesn't replace one-on-one career planning, Nykolaiszyn says, but it helps the business school's 10 career counselors have strategic conversations with students about things like résumé preparation, job interviews and, most important, their job search.

"No tool is ever going to replace counseling or coaching sessions," he says.

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ANDREA MANZATI

AI vs. M.B.A.s

Continued from page R1

heard several thousand new venture ideas pitched by undergraduate students, M.B.A. students and seasoned executives. Some of these ideas are awesome, some are awful, and, as you would expect, most are somewhere in the middle.

The library of ideas, though, allowed us to set up a simple competition to judge who is better at generating innovative ideas: the human or the machine.

In this competition, which we ran together with our colleagues Lennart Meincke and Karan Girotra, humanity was represented by a pool of 200 randomly selected ideas from our Wharton students. The machines were represented by ChatGPT-4, which we instructed to generate 100 ideas with otherwise identical instructions as given to the students: "generate an idea for a new product or service appealing to college students that could be made available for $50 or less."

In addition to this vanilla prompt, we also asked ChatGPT for another 100 ideas after providing a handful of examples of successful ideas from past courses (in other words, a trained GPT group), providing us with a total sample of 400 ideas.

Collapsible laundry hamper, dorm-room chef kit, ergonomic cushion for hard classroom seats, and hundreds more ideas miraculously spewed from a laptop.

How to compare

The academic literature on ideation postulates three dimensions of creative performance: the quantity of ideas, the average quality of ideas, and the number of truly exceptional ideas.

First, on the number of ideas per unit of time: Not surprisingly, ChatGPT easily outperforms us humans on that dimension. Generating 200 ideas the old-fashioned way requires days of human work, while ChatGPT can spit out 200 ideas with about an hour of supervision.

Next, to assess the quality of the ideas, we market tested them. Specifically, we took each of the 400 ideas and put them in front of a survey panel of customers in the target market via an online purchase-intent survey. The question we asked was: "How likely would you be to purchase based on this concept if it were available to you?" The possible responses ranged from definitely wouldn't purchase to definitely would purchase.

The responses can be translated into a purchase probability using simple market-research techniques. The average purchase probability of a human-generated idea was 40%, that of vanilla GPT-4 was 47%, and that of GPT-4 seeded with good ideas was 49%. In short, ChatGPT isn't only faster but also on average *better* at idea generation.

Still, when you're looking for great ideas, averages can be misleading. In innovation, it's the exceptional ideas that matter: Most managers would prefer one idea that is brilliant and nine ideas that are flops over 10 decent ideas, even if the average quality of the latter option might be higher. To capture this perspective, we investigated only the subset of the best ideas in our pool—specifically the top 10%. Of these 40 ideas, five were generated by students and 35 were created by ChatGPT (15 from the vanilla ChatGPT set and 20 from the pretrained ChatGPT set). Once again, ChatGPT came out on top.

What it means

We believe that the 35-to-5 victory of the machine in generating exceptional ideas (not to mention the dramatically lower production costs) has substantial implications for how we think about creativity and innovation.

First, generative AI has brought a new source of ideas to the world. Not using this source would be a sin. It doesn't matter if you are working on a pitch for your local business-plan competition or if you are seeking a cure for cancer—every innovator should develop the habit of complementing his or her own ideas with the ones created by technology. Ideation will always have an element of randomness to it, and so we cannot guarantee that your idea will get an A+, but there is no excuse left if you get a C.

Second, the bottleneck for the early phases of the innovation process in organizations now shifts from generating ideas to evaluating ideas. Using a large language model, an innovator can produce a spreadsheet articulating hundreds of ideas, which likely include a few blockbusters. This abundance then demands a selection mechanism to find the needles in the haystack.

Finally, rather than thinking about a competition between humans and machines, we should find a way in which the two work together. This approach in which AI takes on the role of a co-pilot has already emerged in software development. For example, our human (pilot) innovator might identify an open problem. The AI (co-pilot) might then report what is known about the problem, followed by an effort in which the human and AI independently explore possible solutions, virtually guaranteeing a thorough consideration of opportunities.

The human decision maker is likely ultimately responsible for the outcome, and so will likely make the screening and selection decisions, informed by customer research and possibly by the opinion of the AI co-pilot. We predict such a human-machine collaboration will deliver better products and services to the market, and improved solutions for whatever society needs in the future.

DAN PAGE

Special Advertising Feature

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How employee recognition can help **unite workers**, increase inclusivity and drive engagement

Building Trust in the Multigenerational Workforce

As people continue to work into older ages and younger generations enter the workforce, different work styles and preferences among the various cohorts — from Generation Z to Baby Boomers — become amplified. While some of those differences can be exaggerated, it's important for employers to make sure they're creating an environment that's rewarding and welcoming for everyone to prevent friction and promote collaboration and engagement.

Research has shown that what people want from work is more affected by life stage and other factors, such as whether they have young kids at home, than generational differences, says Jennifer Deal, a senior research scientist at the University of Southern California's Center for Effective Organizations. But that makes it all the more complex for employers to consider how to bring employees together. "What you end up with is this massive interaction between what humans want, what life stage they're in, what career stage they're in, what the economy and technology are doing and other external factors," she says.

Instead of focusing on bridging generational differences — which are often stereotyped — employers should focus on building camaraderie across their entire workforce, Deal says. Research shows there's one thing lacking in many organizations that can make a big difference: trust.

"Trust is fundamental to human interactions," she says. "If you think the person next to you is going to steal your work, you're going to treat them very differently than if you think they're a good partner." And unfortunately, Deal says, surveys have shown that levels of employee trust within organizations have fallen substantially over the past few decades.

Finding Common Ground

A survey by Workhuman, a pioneer of employee recognition technology, shows that increasing camaraderie within a company can reap many benefits and bridge any generational divides that do exist. Generation X and older Millennial workers say trust in their peers makes them more comfortable working on teams, while Baby Boomers — those age 54 and older — say it makes them more comfortable asking for help, according to the research, which was collected in Workhuman's Human Workplace Index.

"What constitutes trust can show up somewhat differently between the generations," says KeyAnna Schmiedl, chief human experience officer at Workhuman. Work has become more collaborative and less focused on individual output in recent decades, she says, so having confidence in colleagues has become all the more important.

Workhuman has found that creating an environment that promotes employee recognition is a key way to build high levels of trust across a multigenerational workforce.

"Recognition is a way of moving away from identity in the workplace — such as your age or generation — by instead focusing on your contributions," Schmiedl says. "You naturally will trust your colleagues more when they are publicly acknowledging your accomplishments."

Deal says showing appreciation can also help individual employees feel more secure and confident at work because it demonstrates that your co-workers value you. "Recognition, if done well and consistently enough, shows that someone is paying attention to the work you're doing," she says. "That's important because it helps people feel connected to what's going on."

Building a Bridge

Workhuman's employee recognition platform, called Social Recognition, allows anyone within the organization to create a moment of recognition for a colleague and share it publicly on a central feed within the platform.

"What is unique to our platform is the way in which we want people to think holistically about recognition," Schmiedl says. "It's not just about positive reinforcement, but also about giving people encouragement and feedback. Like, 'We had this tough meeting or we missed our goal this quarter, but I saw you galvanize the team, strategize new ideas and keep hitting the ground running.'"

An artificial intelligence-driven Inclusion Advisor within the Social Recognition platform helps people spot biases within their recognition messages and increase inclusivity. It can help bridge generational gaps, for example, by identifying instances of microaggressions or unconscious bias that may occur due to age differences within the workplace.

Companies that create formal recognition programs to encourage peer-to-peer recognition often find it can bring together employees — building trust and a more collaborative culture. A 2022 study by Gallup and Workhuman found that employee recognition can be especially valuable in engaging younger employees, as they want to be recognized more frequently. Gen Z employees and younger Millennials were 73% more likely than Baby Boomers to expect recognition at work at least a few times a month, the research found.

Eaton, a power management company with 90,000 employees in over 170 countries, has a highly age-diverse workforce, 10% of which is Baby Boomers, 33% Gen X, 41% Millennials and 16% Gen Z, says Ernest Marshall, Eaton's executive vice president and chief human resources officer.

The company has designed various programs to help engage workers at different stages of their career and with different priorities and motivations. Eaton has an assignment marketplace that allows employees to volunteer in projects outside their core role, whether to broaden their skills or gain new professional experiences. The company also created its E-STAR program, facilitated by Workhuman's employee recognition platform, as a way to embed employee appreciation in its culture.

"Small acknowledgements over time are what we know builds trust among employees, and thanks to this platform, we see that every 42 seconds somebody at Eaton is being celebrated — which is amazing," Marshall says. "About 50% of those recognition moments are peer to peer; they're not top down and always coming from your manager. That's really impactful because it shows someone is recognizing you because they want to — not because it's their job."

The recognition program increases positive interactions among employees of all generations by allowing them to send each other congratulatory messages on their work anniversaries, thank each other for help on projects or for any other reason they want to recognize someone. "It makes sure our people feel seen and valued," Marshall adds. And the analytics help company leaders quickly see the impact it's having and what employers are getting recognized for. "It's just been this hugely positive force within our company."

73%

Gen Z and younger Millennial employees who expect periodic recognition at work

Source: "How to Bridge the Generational Gap in Recognition," Gallup, 2022

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Tech Stress

Continued from page R1

sion," he says.

Anxiety over technological change on the job has long plagued workplaces—perhaps never more so than today, as AI threatens to upend everything. All of the uncertainty and stress can foster frustration, insecurity or self-blame that can affect people's work and personal lives, and even their health.

Fortunately, researchers have studied this phenomenon for decades, gleaning insights into the deep psychological roots of these fears, how they affect people's response to technology—and how both workers and companies can mitigate the stress.

To get an idea of just how high tech-induced anxiety is, consider PwC's 2022 Global Workforce Hopes and Fears Survey. The report found that 30% of over 50,000 workers were concerned about technology replacing their role within three years, and 39% said they weren't getting enough tech training at work.

In this year's survey (released in June), 35% had some negative concerns about AI, such as fears that the technology will take their job, affect their role or require skills they might not be able to learn. They aren't imagining the possible turmoil. A March global study by Goldman Sachs estimated that generative AI "could expose the equivalent of 300 [million] full-time jobs to automation," although the report says most jobs in the U.S. would be altered by AI, not replaced.

Lessons from psychology

The roots of the fear can go back to very primal feelings—an instinctive, evolutionary apprehension of anything novel, says Ofir Turel, a professor of information systems at the University of Melbourne.

New technologies can cause insecurity, even from something as minor as disrupting people's routines. "Our brains are designed to maintain the status quo," says Nicole Lipkin, a clinical and organizational psychologist in Philadelphia.

Sophia Xepoleas, a tech PR

strategist in Oakland, recalls her reluctance to learn the project-management application Asana. "It is…a new pathway in your brain that you're training," she says. "And the ones that are already working are working real hard."

But the sense of threat from technology can go even deeper, menacing people's personal identity, says Varun Grover, a professor of information technology at the University of Arkansas.

One aspect of that identity is professional competence, and challenging technology can threaten people's sense of competence. New tech can also threaten people's sense of identity in the professional role they fill, he says, if it changes their job duties or workplace power dynamics.

Turel found this with the introduction of electronic medical records to a Midwestern hospital in a 2020 study. "They threatened physicians and nurses," he says. "Now you have to spend time to go through 10 screens when you prescribe something."

This resulted in what researchers called "unfaithful use" of the new tech. Medical personnel would skip over screens or enter random information just to get through the forms.

The latest artificial intelligence takes this identity threat much further, says Grover, because it promises to do the higher-level reasoning that people think of as uniquely human.

Running away

Rarely does tech stress reach a clinical level of anxiety or depression. Even so, it can lead to unhealthy behavior.

For instance, a natural response to stress is to run away from the threatening technology, says Mindy Shoss, professor of industrial/organizational psychology at the University of Central Florida. "People tend to do what we call emotion-focused coping strategies, which include things like avoidance," she says.

In tech, this could mean refusing to learn or use a new piece of software and trying to continue with the older application.

To help work through this, people can use tools from psychological practices such as cognitive behavioral therapy, which can help people challenge negative thought patterns.

For instance, when people face new, difficult technology, it "can be a huge trigger for negative self-talk," a sense that we lack ability or aren't trying hard enough, says Vaile Wright, senior director for healthcare innovation at the American Psychological Association.

Instead, people can start with understanding why they find the new technology upsetting and re-evaluating the sense of risk and threat.

Workers can also reframe a technology challenge in such a way to realize the situation isn't so bad (for instance, you won't get fired if you don't master this new tech). Other times, it helps them accept genuine misfortune (you *will* lose your job) and strategize how to move on.

It can also help for workers to give themselves some credit for facing challenges.

"It could be a thought like, 'It's not that surprising that this is hard. I didn't go to school for this. But I've overcome hard things before,' " says Wright.

Resisting or embracing

Another danger is what psychologists call catastrophizing. "Examples of cognitive distortions are [saying,] 'If I don't learn this within a week, I'm going to get fired,' " says Lipkin.

Reframing is one way Xepoleas reduces the all-or-nothing pressure surrounding tech: She doesn't need to master every new piece of technology to get benefits from it. Plomion reduces stress by telling himself he's doing everything he needs to do to get his job done. "I am never going to be a ChatGPT expert," he says. "But at a minimum…I know how to use the tools."

The two have also tried reframing new tech as an opportunity. Xepoleas admits that, after fighting the Asana app, she ultimately found it helpful.

People can also benefit from distraction—a cognitive behavioral technique for breaking the cycle of anxious thoughts. Xepoleas enjoys visiting a park and listening to classical music. Plomion goes surfing most mornings.

He is also an ardent skateboarder and considers mastering new tricks as akin to figuring out technology. This is known as "building mastery" in dialectical behavioral therapy, a cousin of cognitive behavioral therapy, says Wright. Achievements in one activity build confidence for taking on other challenges.

Reframing

Reframing is also crucial when the worst is true. While people often exaggerate threats, they aren't always wrong. They might lose their jobs because of technology, or it might change their roles in ways they don't like.

It can be healthy to acknowledge feelings of loss—for a time. That is the thrust of acceptance and commitment therapy (ACT). Instead of trying to debunk the problem underlying their anxiety, "ACT therapy would have a person accept the experience," says David Blustein, a professor of counseling psychology at Boston College.

A related concept, from dialectical behavioral therapy, is radical acceptance. People don't have to approve of a situation, but fighting reality instead of accepting it leads to more pain. "Sometimes I just have to give in, and I have to say, OK, this is going to be a part of my life now," says Grover. "So how do I reconceptualize my role identity with this technology in my life?"

How employers can help

During times of anxiety, companies can foster a sense of agency among employees by bringing them early into the conversation about new technologies.

It is all right if these conversations include some complaining, says Lipkin, the Philadelphia psychologist. But employees should be encouraged to spend most of the discussion finding solutions, she says.

Workers can also help each other cope by discussing their frustrations, says Shoss, as it provides validation of their feelings, reassurance and a sense of camaraderie. On a practical level, co-workers can help each other figure out new tech. Most younger people "are very willing to share their expertise in a specific tool," says Plomion.

That's no substitute for formal employee training, though. Employers should articulate an overall plan for how the technology is meant to be used and provide multiple training options, such as written tutorials, videos and one-on-one sessions.

"Employers really need to prioritize their employees' mental health," Wright says. "When our mental health and our emotional well-being [are] more stable, we're actually better employees."

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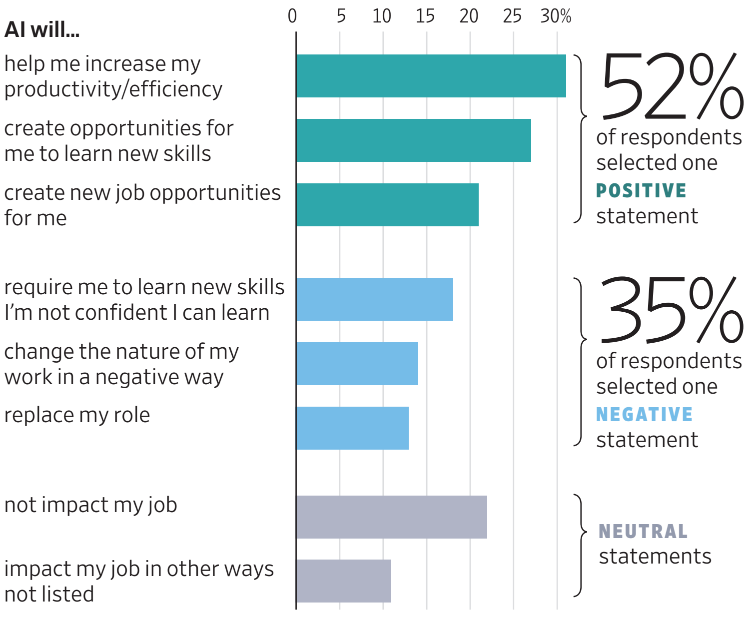
PETE RYAN

Views on AI

Workers were asked, what impact, if any, do you expect artificial intelligence (AI) to have on your career in the next five years?



Source: PwC's Global Workforce Hopes and Fears Survey of 53,912 workers across 46 countries and territories released in June 2023

How Stressed Are You at Work? Try Asking Your Mouse

A study found that how people used their mouse and keyboard said much about their inner state

BY SUMAN BHATTACHARYYA

AN AI MODEL can be used to detect stress in office workers based on how they use their mouse and keyboard.

So suggests a new study, which found that a machine-learning model using those measurements was more accurate at detecting stress in people than a model that tracked their heart-rate data.

"We saw that the models that just used the mouse and keyboard data performed better than the models that had the cardiac data in it," says Mara Naegelin, a Ph.D. student at ETH Zurich, the Swiss Federal Institute of Technology, and one of the study's authors.

Naegelin and her fellow researchers used machine-learning models to analyze data on keyboard-typing activity, mouse movements, cardiac data and a combination of two or all three of these elements to determine which performed best in terms of measuring stress. They found that the model trained on mouse and keyboard data performed better than the model that used mouse, keyboard and heart rates. Of the single-modality models, the cardiac data performed the worst.

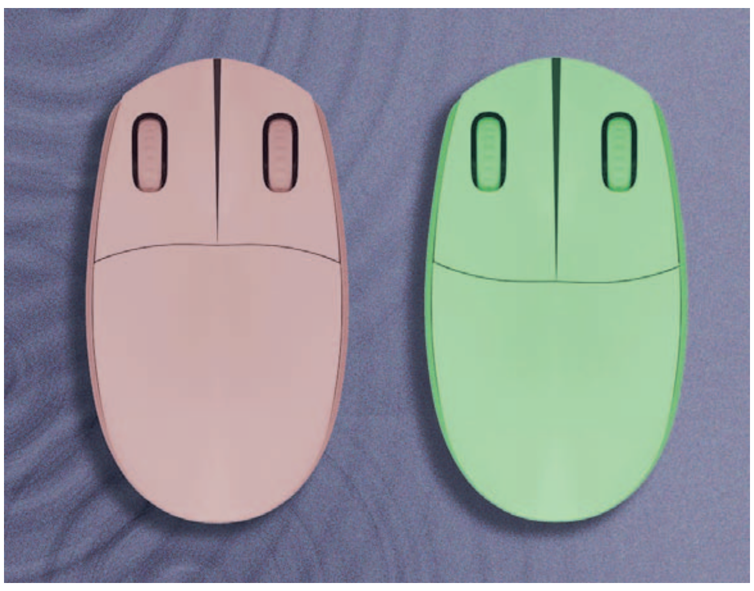
The test was conducted in an environment that simulated an office environment, so the results still need to be confirmed in real-life scenarios, Naegelin says.

In the experiment, 90 students performed work-related tasks, including typing numbers into a spreadsheet, making calculations and entering claims data into a database from scanned documents.

Participants were divided into three groups. A control group carried out assigned tasks, such as planning meetings and aggregating data, with no additional work; a second group at times answered questions from managers in person in a mock interview scenario while completing other assigned tasks; and members of a third group were, at certain points, interrupted with additional questions sent through an online chat on top of tasks assigned to other groups.

At regular intervals during the experiment, participants were asked to rate their stress levels through a computer questionnaire.

Researchers learned that workers made longer, less accurate movements with their mouse, as well as more typing errors, when they were stressed. Shorter, more direct movements with the mouse were tied to lower stress levels. The study didn't focus on why increased levels of stress are thought to affect motor skills.



Longer, less accurate movements with a mouse can indicate stress.

The researchers say they believe a stress-detection system that logs keyboard and mouse movements might be beneficial as a self-help tool for employees alongside other initiatives to improve workplace mental health. But employee participation would need to be optional and based on informed consent, and companies would need to commit to protecting user privacy.

"You would have to ask every employee that uses it whether or not they want to share that information. You have to figure out the aggregation level," such that a specific employee or group of employees can't be identified, says Raphael Weibel, a Ph.D. student at ETH Zurich and one of the authors of the study.

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ChatGPT Helped You Brainstorm Ideas. Should You Give It Credit?

Is it ethical to take credit if you first asked an AI for ideas? WSJ readers voice their views

BY DEMETRIA GALLEGOS

ARE YOU looking for a product idea? A marketing slogan? A company name? Increasingly, such tasks may be kick-started with the help of some generative artificial intelligence.

But how should the finished products that emerge from that brainstorming be credited? Whose idea was it, really? Is AI an author or a tool in such cases? This is one of many new ethical dilemmas posed by improvements in quality and expanded access to artificial intelligence.

But rather than ask ChatGPT about this thorny question, we turned to Wall Street Journal readers.

We asked: Is it all right for AI to brainstorm ideas for projects or products that you later claim as your own? Would it change your answer if you came up with the original question? What if you fine-tuned some of the ideas? What if you give the AI some credit for helping you?

Readers provided a range of responses.

It's only fair

Plenty of people have taken credit for my ideas. Why shouldn't I be able to take credit for an AI's ideas?

—***Clint Eubanks***, *Houston*

It's a machine

Do you give credit to landscapes or paintings when they give you inspiration? If we are unable to distinguish between man and machine in the coming days, there will be much confusion. But if we say emphatically, "This is just a machine," then there is no need for you or me to thank it or give credit to it.

That isn't to say you can't. For example, you could say, "My car brought me to work today, and I need to give it credit for helping me to get the job done." But I think this sort of thing is drastically different than a situation when a human gives us an idea or question. You can give it credit, but there is no obligation.

—***Brad Grizenko,*** *Wake Forest, N.C*

Partial credit

As a published author I am always sensitive to this issue, especially as a publisher once rejected some of my work and allowed the reviewer they used to publish it verbatim as his own. Ethically, if AI is part of the creation of intellectual property it at least deserves part credit. It is sadly becoming somewhat acceptable for creators to be denied credit or remuneration for their work. That's the center of concern with the writers, actors and others currently striking.

—***Peter Goulet*** *Lee's Summit, Mo.*

It's just a tool

At this point, AI is a tool and, as such, it is the user of the tool that has the responsibility and should receive credit for the work contributed by the tool. At this point, AI doesn't create the idea, it just reports on the state of the art.

Disclosures like the following are ridiculous: "I used a calculator in this analysis." "I did a search on the internet for more information." "I read this book to learn about this subject." "I used AI to understand some of the issues involved."

It is up to the user to shape the AI-supplied information (whether true or false) into a new creation. This usually requires an iteration of dialogue between the user and the chatbot. No credit needs be stated—unless the AI did all of the work.

—***Jay Weyermann,*** *Aurora, Colo.*

AI is like a spell checker

This is a conversation our civilization needs to have. AI deserves no credit, no patent nor copyright protection. Nothing. It's a tool. Nothing more. Do you give your spell checker credit for its help with the novel you wrote? Do you give credit or profits to the thousands of book and journal pages you've read over time for an idea you just had? Let's not be silly.

—***Hans Kueck,*** *Orlando, Fla.*

The ethics are clear

No, it isn't all right to claim someone else's work (even a chatbot's) as your own. Do we still have the concept of ethical behavior anywhere?

—***Susan Alexander,*** *Luxembourg*

Human judgment is still needed

If, for example, I consulted a topical book for ideas, I would have no trouble claiming the result as my own idea, and AI, as a similar resource, should be no different. Additionally, there is always a need for using judgment to evaluate the viability of a potential solution that can be as important as the solution itself, and AI is probably not yet ready to do that effectively.

—***Rob Norton,*** *Sammamish, Wash.*

Be transparent

Using AI to brainstorm ideas and claiming them as your own is ethically questionable. Your involvement in formulating questions doesn't alter this perspective. Fine-tuning AI-generated ideas can be seen as more acceptable, especially if you actively contribute to the process. Giving credit to the AI for its role is imperative to maintain transparency and honesty in intellectual-property matters.

—***Jerome Scott,*** *Jamestown, R.I.*

> The increasing use and availability of generative AI to help humans come up with project and product ideas is expected to create a host of new ethical dilemmas.

Better brainstorming

Brainstorming works best when ideas are generated without immediate feedback from others, while ideas are still being presented. I have experience in process improvement and team facilitation. An unguided brainstorming session is likely to have people blurting out "that's a stupid idea," at which point your session is ruined, or, even worse, people completely shut down.

So, AI with human involvement should produce better results. Just as with humans, the AI source should be credited. Not necessarily for legal reasons (although proper due diligence would recommend such) but for traceability as results are published or used.

—***Clay Parcels,*** *Belleville, Ill.*

Dishonest to claim credit for AI's ideas

AI is a very powerful tool that, used appropriately and responsibly, can significantly boost our performance and productivity. We do, however, need to guard against sacrificing our own thought processes and creativity at the altar of expediency.

It's good to use AI for brainstorming, or to help in one's personal and professional life. At this stage of AI evolution, human oversight is still a necessity. But it's dishonest to pass off AI's ideas as one's own. Giving credit to AI depends on the context, along the same lines as the debate about the line between plagiarism and research.

—***Kaleem Ahmad,*** *Ankara, Turkey*

Some credit is due

I think you should give the AI some credit for helping you. It's likely inevitable that our future projects/products will be based somewhat on AI input.

—***Dawn Taggblom,*** *DeLand, Fla.*

Future impact

To analyze these questions, one must look at the full picture. Who benefits? Who is harmed? And what future ramifications exist? So here, assuming that with use of AI, the brainstorming is improved and as result what is created is greater societal benefit. This could provide some ethical positive points.

But say also that if the person didn't give AI credit and as result, this person was given more control or power to do such work in the future, replacing more capable persons, then ethical and practical harm is done.

With disclosure about the AI assistance, at least there would be honesty, and a company could make better decisions about allocating such assignments in the future.

—***Wendelin Comen,*** *Raleigh, N.C.*

Another arrow in the quiver

AI is just another in a long line of tools man has created to manifest control over his environment. It follows the printing press and typewriter created to master the power of knowledge and words, the calculator to better harness math and the computer and software created to maximize data management. None of those receive credit for the creation or printing of a book, the birth of nuclear power, or a moon landing. AI is just another tool to further maximize control, it will not be the last arrow in the quiver.

—***Wister Smith,*** *Scottsboro, Ala.*

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Here's Why Companies' IT Projects Fail So Often

Too often, investments in technology fail to achieve promised results. Why is that? And what can companies do to change it?

BY JOE PEPPARD

REMEMBER that IT project that your company launched and turned out to be a bust?

The answer, of course, is yes: There are likely few organizations that haven't been touched by some IT project mishap, or worse, disaster. How can that be? Why, despite decades of implementing IT systems, are organizations still struggling with their tech projects?

My colleague, R.M. Bastien, and I have studied hundreds of such projects, and found that the root causes of failing or underachieving tech investments were rarely where executives would ever have thought to look.

The problem: They were focusing on symptoms, not the true causes.

What are those true causes? Here are four we've identified—and what organizations can do about them.

No. 1: The illusion of control

Central to a number of these hidden causes is an investment process that begins with someone—usually a manager or budget holder—needing some technology to either solve a problem or take advantage of an opportunity. The IT department will then build or acquire the tech solution, since all requests concerned with technology flow through this single department.

The consequence is that on one side is the "customer" (the business unit) and on the other, the "supplier" (the IT department). The customer wants to be certain it is getting what it paid for, so it will demand some oversight of project progress and visibility of any risks. They may establish a committee for this purpose and determine appropriate reporting metrics—typically time and cost.

Unfortunately, all of this merely gives them the illusion of being in control. What happens in the project, where there can be hundreds of decisions made weekly, is likely to be invisible to the project's sponsor. And those decisions can undermine the ultimate outcome of the project.

As an analogy, think of hailing an Uber, and tracking the car as it travels to pick you up. This gives you a sense of being in control of the transaction. But it's an illusion. Yes, the driver turns up on time, but the car has no fuel left, it is dirty, the driver seems under the influence, and it has a small trunk that won't be able to fit all your luggage.

No. 2: Conflicts of interest

The IT department wants to be seen as a business partner, working closely with colleagues across the organization. Despite this laudable objective, the fact is that IT units are mostly designated as cost centers, while the business unit is a profit center.

That means that the priorities for the business unit aren't necessarily what's important to the IT department.

The clearest conflict lies with the practice of IT being responsible for setting the architectural standards for building systems, and then designing, building and certifying that the digital systems conform to these standards. In other fields, such as the construction industry, there is a clear demarcation between those designing, those building what was designed, and the ones owning—and getting the benefits from—the result.

In practice, that means decisions are systematically skewed toward the builder's priorities—that systems are working, on-time and on budget. The quality of the system, and the value it brings to the business, is far down the list of priorities.

Imagine a scenario where a project is running behind schedule and overbudget. That certainly isn't uncommon. To get back on track, workarounds can be found. The project team has solved a problem, the schedule or cost hasn't been compromised, and the business unit is none the wiser. The solution will be some other project's problem in the future.

When the project ends, the business unit will never be aware that a shortcut was taken; the digital asset will work and there will be celebrations all around. However, this decision might compromise the performance of the application that has been built. Maybe not immediately, but when the volume of transactions ramps up, perhaps a number of months or even years in the future, it will manifest itself, perhaps in response times and dissatisfied users.

Think of it like a contractor who, when building a house, decides to save a little money and not use industry-standard pipes for the plumbing. With this workaround, the shower will still work, as will the washing machine. However, problems will emerge if the customers wants to replace the washing machine, install a dishwasher, or perhaps build an extension.

No. 3: IT amnesia syndrome

A project, by definition, is a temporary endeavor. Thus, when a technology project is completed, and it works, it is done. People move on—to new projects or new companies. The past is forgotten.

At some point in the future, a new project is kicked off that depends on integrating with the digital assets created by many projects over the years. But when the new project team members start working, it's a bit like an archaeological dig, not knowing what will be found until they begin. As the project progresses, unknown-unknowns are likely to emerge that can derail it.

The most vivid example of IT amnesia is with documentation describing what has been built. Pulling this together only serves future projects, while consuming precious time and money in the current one, so is too often neglected.

Yet this documentation will be crucial if anything needs to be amended—perhaps due to a new compliance or regulatory requirement or new business need. The teams charged with accomplishing this will need all this knowledge if they are to tackle this task. Without such documentation, their job is difficult, and they will have to re-create it. And they often can't, at least not as well as they'd like.

What we observe is that a project-oriented IT will systematically create these shortcomings that boomerang back on future projects. Paradoxically, being focused on project success leads to future project failure.

No. 4: Managing expenses, not assets

Given how much money is spent on technology, it might be expected that these digital systems would be considered assets and managed as such. In other words, one would expect that digital assets would be managed like power plants, cargo ships or any other investment of that magnitude.

This isn't the case.

The reality is, technology has no inherent value; just deploying technology on time and on budget doesn't automatically convert into any business value. Much work is required by the business unit to realize expected benefits. While IT closely tracks and monitors the cost of building and maintaining the asset, few organizations actively manage the realization of benefits from using this asset.

Compare it to airlines. Airlines know that if planes don't fly, they don't generate revenue, so they look to maximize their time in the sky, carrying passengers. By contrast, most organizations don't actively manage to ensure that expected benefits from technology are delivered. The technology arrives and it "works." But is it increasing value for the company? That question is rarely asked.

So, what to do?

Individually, these hidden causes have a significant impact. Collectively their impact can be devastating for the achievement of expected business outcomes.

How can they be tackled? Here are some suggestions:

• **Search for value, not funding.** The funding model drives much of the behavior we see in organizations. An entire project is funded and IT goes to work on it. Having a more metered approach to funding, where complete funding for an investment isn't guaranteed, but contingent on demonstrating progress, reduces risk but also means that the continuation of a project is determined by evaluating the utility of what has been delivered at a point in time, and demonstrating results.

• **Own and manage digital systems as productive assets.** Just as an airplane parked on a tarmac isn't generating any revenue, realizing the value from technology assets has to be actively managed. What helps is having clear ownership of the digital asset. Our suggestion is that it should reside with whoever is paying for it. They, after all, will be getting the benefits and should therefore be responsible for making sure that they are achieved.

The CEO of one company we studied has made it very clear to those seeking funding for IT that he is likely to call them back in front of the investment committee, sometime many years after a project has ended, to demonstrate that the benefits they listed in the business case for the investment have been achieved.

Like all assets, at some point, the asset stops being an asset and becomes a liability and a drag on the organization achieving its strategic ambitions. We are constantly amazed by companies still running applications that are never used.

• **Eliminate conflicts of interest.** To achieve this, there are three types of roles that need to be decoupled: 1) Those who establish the design standards for digital assets from those who build and maintain them, 2) Those checking for quality compliance from those who create what is being checked, and 3) Those managing projects from those using the project's creation.

• **Do IT differently.** The genesis of the problem that most organizations have with digital technologies stems from how they organize to embrace them; they are designed to manage IT rather than deliver value from IT. As I've written before, the answer is to get rid of the single IT department.

That doesn't mean getting rid of IT. It means integrating IT into every department, so that those creating digital assets are true collaborators with those deriving value from those assets.

No executive sets out with the intention for IT in their organization to fail or underachieve. Yet decisions they make do unfortunately lead to failed projects, negative outcomes and wasted investments. These executives, while holding influential positions, just don't know what it takes to succeed with technology in today's digital-first world. Essentially, they don't know what they don't know. They are working from a cognitive map that is fundamentally defective, and this leads to flawed decision-making. Unless this is remedied, their organization's dismal results from IT investments will continue.

ELIOT WYATT

69% Percentage of software projects that either fail or face challenges in terms of being on time, on budget and with an outcome satisfactory to the customer, based on an analysis of 50,000 projects by Standish Group International.

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Five Starter Books to Read To Get Smart About AI

It's the hot topic that everyone is talking about. Here's where to begin to find out what it's all about.

BY DANIEL AKST

THE RECENT eruption of artificial intelligence through online tools such as ChatGPT has prompted a frenzy of speculation about its future and ours.

What's clear is that something important and unprecedented is happening. That's one reason so many books have been written on the subject. Here are five, recommended by scientists and authors who have immersed themselves in the subject, to help you understand how we got here and where we are going.

"Gödel, Escher, Bach: an Eternal Golden Braid"
By Douglas Hofstadter

Hofstadter's exploration of the nature of consciousness and human intelligence, published in 1979, won the Pulitzer Prize and was cited first on the lists of two of the insightful figures in the field we contacted. "It's a beautifully written intellectual trip through some very deep ideas in logic and mind," says Michael Wooldridge, a professor of computer science at the University of Oxford. "AI is not the main focus, but countless students over the past 40 years were led to AI through the ideas in this book."

Brian Christian, whose books include "The Alignment Problem: Machine Learning and Human Values," says "Hofstadter's concrete predictions about the pace and limitations of AI progress have not aged especially well, but very few have, and the book remains a tour de force of both style and content, and a moving tribute to human imagination and human consciousness."

"The Age of AI: And Our Human Future"
By Henry Kissinger, Eric Schmidt and Daniel Huttenlocher

Kissinger teamed up with Schmidt and Huttenlocher to produce this 2021 assessment of how AI will change the world. The book argues that AI will alter the human relationship with knowledge and present particularly troublesome risks in the arena of international relations.

Ray Kurzweil, the renowned futurist who expects computers to eclipse human intelligence before very long, recommends the book, which he says "provides a comprehensive look at the pluses and minuses of advanced AI."

"Atlas of AI: Power, Politics, and the Planetary Costs of Artificial Intelligence"
By Kate Crawford

Crawford's sweeping 2021 survey "is a good collection of some of the most concerning problems with AI and tech," says philosopher Carissa Véliz, author of "Privacy Is Power."

She says the book "demystifies AI by focusing on its material sustenance and composition. It's about what these machines are made of and who makes them. It's about the mines that are used to extract the metals necessary to build phones and to build data servers and so on. The main thesis of the book is that artificial intelligence is neither artificial—because it depends on the natural environment—nor is it genuine intelligence."

"The Coming Wave: Technology, Power, and the 21st Century's Greatest Dilemma"
By Mustafa Suleyman and Michael Bhaskar

Artificial intelligence offers the potential for immense benefits; Kurzweil notes its role in accelerating Covid vaccine research.

But can we control AI? And how serious is the risk of truly catastrophic consequences? Suleyman, co-founder of DeepMind (an AI venture that is now part of Google), addresses these questions in a new book written with Bhaskar. It was recommended by Erik Brynjolfsson, a professor at Stanford University's Institute for Human-Centered AI

"Mustafa was not only one of the architects of the AI revolution," says Brynjolfsson, "but also a man who is intensely concerned about the massive disruption that these technologies are likely to create. This book gave me a much deeper understanding of how difficult it will be to contain AI."

"Computer Power and Human Reason: From Judgment to Calculation"
By Joseph Weizenbaum

"As we enter the era of chatbots," says Christian, "it's powerful to remember that Joseph Weizenbaum not only wrote the very first one, but that he was soon horrified by what it represented." Weizenbaum's book, a classic in the field, appeared in 1976 but "holds up surprisingly well as a prescient note of caution for our current age."

Crawford also recommended this one. "How much should you trust AI?" she asks. "This prescient book, written by one of the founders of artificial intelligence and one of its great critics, will make you ask the question in a new way. Weizenbaum created the Eliza chatbot in 1966, and he saw before anyone else how easily people will be taken in by machines that mimic human conversation. The book is a stark warning against sacrificing human judgment."

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